



FOREIGN  
BROADCAST  
INFORMATION  
SERVICE

# ***JPRS Report***

## **Soviet Union**

---

***Economic Affairs***

# Soviet Union Economic Affairs

JPRS-UEA-88-006

## CONTENTS

12 FEBRUARY 1988

### NATIONAL ECONOMY

#### ECONOMIC POLICY, ORGANIZATION, MANAGEMENT

Regulations on Normative Method of Profit Distribution Published [ <i>EKONOMICHESKAYA GAZETA</i> , No 50, Dec 87]	1
Restructuring Problems Aired At Donetsk Meeting [A. Gnidenko, S. Pravdenko; <i>EKONOMICHESKAYA GAZETA</i> , No 58, Dec 87]	4
Official Seeks Clearer Definition of Local Planning Rights [Yu. Dmitriyev; <i>EKONOMICHESKAYA GAZETA</i> , No 51, Dec 87]	8
Journal Summarizes TV Discussion of Economic Reforms [L. A. Voznesenskiy; <i>POLITICHESKOYE OBRAZOVANIYE</i> , No 11, Nov 87]	9

#### REGIONAL DEVELOPMENT

Moldavian Commission Criticizes Food Industry Resource Use [B. Boyko; <i>SOVETSKAYA MOLDAVIYA</i> , 11 Nov 87]	18
---	----

#### MODELING, ECONOMETRICS, COMPUTERIZATION

Lack of Technical Mathematics Training for Economists Scored [P. Tvariyonavichus; <i>EKONOMICHESKAYA GAZETA</i> , No 50, Dec 87]	19
---	----

### AGRICULTURE

#### AGRO-ECONOMICS, POLICY, ORGANIZATION

Academician Criticizes Course of Gosagroprom Reform [V. Tikhonov; <i>IZVESTIYA</i> , 17 Dec 87]	21
Stud Farm Director Complains of Self-Financing Difficulties [I. Feduleyev; <i>PRAVDA</i> , 9 Dec 87]	24
Banking and Credit Changes in Agriculture [V. Arkhipov; <i>SOVETSKAYA ROSSIYA</i> , 26 Dec 87]	26

#### LIVESTOCK AND FEED PROCUREMENT

Sub-Section Chief Discusses Increase in Private Livestock Production [V. M. Kozhevnikov; <i>SELSKAYA ZHIZN</i> , 17 Dec 87]	29
--	----

### CONSUMER GOODS, DOMESTIC TRADE

#### HOUSING, PERSONAL SERVICES

Trade Official Evaluates Restructuring in Service Sector [N. Stashenkov; <i>PRAVDA</i> , 5 Dec 87]	32
--	----

### ENERGY

#### FUELS

Oil Output Figures Cited [VYSHKA; 8 Sep 87]	35
Offshore Production Figures [O. Ginzburg; <i>VYSHKA</i> , 18 Oct 87]	36
Shelf-2 Rig Output Results [M. Mirzoyev; <i>VYSHKA</i> , 24 Oct 87]	37
Drop in Exploratory Drilling [VYSHKA, 11 Oct 87]	38

#### ELECTRIC POWER GENERATION

Interview with Ignalinskaya AES Officials [SOVETSKAYA LITVA, 26 Nov 87]	39
---	----

Sayano-Shushenskaya GES Construction Slowdown Noted	<i>[PRAVDA, 11 Dec 87]</i>	41
Regional Power Systems to Switch to New Operating Mode	<i>[NEDELYA, No 48, 1987]</i>	43
Last Concrete Laid for Ingurskaya GES Dam	<i>[G. Lebanidze; PRAVDA, 13 Nov 87]</i>	44
Novosibirsk Works on Generator of New, Unified Series	<i>[IZVESTIYA, 16 Nov 87]</i>	45
Ekibastuz GRES-1 Nears Generation of 100-Billionth Kilowatt-Hour	<i>[M. Glukhovskiy; SOTSIALISTICHESKAYA INDUSTRIYA, 18 Nov 87]</i>	45
Second Power Unit of Balakovskaya AES Connected to Power System	<i>[V. Nikolaeva; IZVESTIYA, 10 Nov 87]</i>	45
Kazakh SSR Plant Fails to Ship Power-Line Supports to Kirghiziya	<i>[SOTSIALISTICHESKAYA INDUSTRIYA, 20 Nov 87]</i>	45
Second USSR Power Line Extended into Afghanistan	<i>[V. Surkov; IZVESTIYA, 16 Nov 87]</i>	46

## CONSERVATION EFFORTS

Oil Products Conservation Barriers Cited	<i>[V. Gataullin, M. Giniatullin; EKONOMICHESKAYA GAZETA, No 49, Nov 87]</i>	46
--	--	----

## HUMAN RESOURCES

Examination of Infrastructure in Siberian Regions	<i>[B. N. Khmelyanskiy; IZVESTIYA AKADEMII NAUK SSSR: SERIYA EKONOMICHESKAYA, No. 5, Sep-Oct 87]</i>	50
Development of Infrastructure, Manpower in Far North Studied	<i>[Ye. Gontmakher; IZVESTIYA AKADEMII NAUK SSSR: SERIYA EKONOMICHESKAYA, No 5, Sep-Oct 87]</i>	57

## LABOR

Readers' Queries on Pension Provisions Addressed	<i>[S. Kosterin; SOVETSKAYA ROSSIYA, 5 Dec 87]</i>	62
--	--	----

## EDUCATION

New Groupings for Career Specialization Introduced	<i>[V. Afanasyev interview; TRUD, 22 Nov 87]</i>	64
--	--	----

## TRANSPORTATION

### CIVIL AVIATION

Volkov Meets with Pan Am Officials	<i>[VOZDUSHNIY TRANSPORT, 7 Nov 87]</i>	66
Volkov Speech on 70th Anniversary of Revolution	<i>[A. Volkov; VOZDUSHNIY TRANSPORT, 7 Nov 87]</i>	66
Trade Union Members Discuss New Economic Mechanism	<i>[V. Selitrennikov; VOZDUSHNYY TRANSPORT, 10 Nov 87]</i>	68
Magadan Directorate Prepares for New Program to Satisfy Consumers	<i>[V. Melnik; VOZDUSHNIY TRANSPORT, 10 Nov 87]</i>	70
Flexible Tariffs Needed to Satisfy Seasonal Fluctuations in Demand	<i>[P. Tsyganchuk; VOZDUSHNYY TRANSPORT, 10 Nov 87]</i>	71
Helicopter Crews Aid Construction of Magnitogorsk-Beloretsk Electric Line	<i>[A. Sivokon; VOZDUSHNIY TRANSPORT, 12 Nov 87]</i>	72
Vnukovo Production Association Workers' Dialogue with Ministry	<i>[Editorial Introduction [Ye. Baulin, N. Kadilov; VOZDUSHNIY TRANSPORT, 12 Nov 87]]</i>	72
Flight Service Chief's Responses	<i>[VOZDUSHNIY TRANSPORT, 12 Nov 87]</i>	73
Deputy Minister's Responses	<i>[V. Gorlov; VOZDUSHNIY TRANSPORT, 12 Nov 87]</i>	74
ATC Chief's Responses	<i>[VOZDUSHNYY TRANSPORT, 12 Nov 87]</i>	75
Union Official's Responses	<i>[V. Katkov; VOZDUSHNIY TRANSPORT, 12 Nov 87]</i>	75
Ispolkom Official's Responses	<i>[VOZDUSHNYY TRANSPORT, 12 Nov 87]</i>	76
Other Officials' Responses	<i>[VOZDUSHNYY TRANSPORT, 12 Nov 87]</i>	76
Participants' Comments After Meeting	<i>[VOZDUSHNYY TRANSPORT, 12 Nov 87]</i>	77
Plenum of CC of Aviation Workers Union	<i>[VOZDUSHNIY TRANSPORT, 26 Nov 87]</i>	77
Reporting from 3d Plenum of CC, Aviation Workers Union		

/Yu. Belikov, A. Zhurin, A. Korolev; VOZDUSHNIY TRANSPORT, 28 Nov 87/	78
Results of VOZDUSHNYY TRANSPORT Readers Survey	
/V. Semenov; VOZDUSHNYY TRANSPORT, 24 Nov 87/	84
Ministry Collegium Reviews 1988 Schedule of Flights	
/VOZDUSHNYY TRANSPORT, 19 Nov 87/	86
Comments from VOZDUSHNYY TRANSPORT'S Readers' Hot Line	
/N. Kadilov, V. Tamarin; VOZDUSHNYY TRANSPORT, 21 Nov 87/	89

## MOTOR VEHICLES, HIGHWAYS

RSFSR Auto Transport Deputy Minister on Consumer Services	
/G. Tarakanov; GUDOK, 9 Dec 87/	91
Fuel-Saving Car "OKA" for Market in 1990 /N. Lukanovskiy; PRAVDA, 3 Dec 87/	92
Defects, Poor Handling of Exported Autos Noted /Yu. Kovalenko; IZVESTIYA, 10 Nov 87/	93

## RAIL SYSTEMS

### First Deputy Discusses Changes in Rail Transport

Personnel Changes in Rail Transport Management	95
Appointments and Transfers /GUDOK, 22 Nov 87/	98
New Railways Deputy Minister /GUDOK, 29 Nov 87/	99
Appointments and Transfers /GUDOK, 2 Dec 87/	99
Rail Transport Performance Reviews	100
Situation in November /GUDOK, 22 Nov 87/	100
November and December Situation /GUDOK, 22 Nov 87/	100
December Improvements Needed /GUDOK, 24 Nov 87/	101
Critique of November Results /GUDOK, 28 Nov 87/	101
Belorussian Railroad's Economic Innovations Discussed /N. Davydov; GUDOK, 2 Dec 87/	102
Section Head on Importance of Timely Rail Transport /G. Tarakanov; GUDOK, 27 Nov 87/	104

## ECONOMIC POLICY, ORGANIZATION, MANAGEMENT

### Regulations on Normative Method of Profit Distribution Published

18200040a Moscow EKONOMICHESKAYA GAZETA  
in Russian No 50, Dec 87 p 16

[Statute approved by USSR Ministry of Finances: "Standard Statute on Normative Method for Distribution of Profits for 1988-1990"]

[Text] As already reported in EKONOMICHESKAYA GAZETA (Issue No. 43), the Committee for Improving Administration, Planning and the Economic Mechanism has approved a number of standard statutes for enterprises (associations) and organizations that convert over to complete cost accounting and self-financing during the 1988-1990 period, all of which were developed based upon the USSR law governing a state enterprise (association).

In response to numerous requests received from readers, the Editorial Board proposes to publish them in subsequent issues of the weekly. The Standard Statute on the Normative Method for the Distribution of Profits for 1988-1990, for enterprises and organizations that have converted over to complete cost accounting and self-financing is being printed in this issue.

This standard statute was developed in conformity with the USSR law governing a state enterprise (association) and it covers associations, enterprises and organizations (1) which use the form of cost accounting and self-financing that is based upon a normative distribution of profit.

1. The planned and actual profit of an enterprise from all types of activities is distributed on the basis of long-term norms that are approved by a higher organ, norms that are determined based upon proportions for the distribution of profit that derive from the accounts for the five-year plan.

The norms are made available to the enterprises by the ministries in advance and remain stable through to the end of the five-year plan.

2. The following norms for the distribution of profit are established for enterprises:

norm for payment into the production funds;

norm for payment for labor resources (excluding enterprises which converted over to complete cost accounting and self-financing prior to 1 January 1988);

norm for withholdings from computed profit for the state (including the local) budget;

norm for withholdings from computed profit for the centralized fund for the development of production, science and engineering and the reserves of the ministry (departments, state production association) (2);

the norms for withholdings from profit which remains at the disposal of enterprises in the funds for economic stimulation: fund for the development of production, science and engineering; fund for social development; material incentive fund.

3. The norm for payment into the production funds, under the conditions imposed by the existing wholesale prices and rates, is established for enterprises as a rule in the amount of 2, 4, 6 or 8 percent of the average annual value of the fixed productive capital and standard working capital.

The norm for payment for labor resources is established in the amount of 300 rubles for one average registered worker and for some regions having a surplus of labor — 200 rubles.

Planned-unprofitable and low profitability enterprises can be temporarily released by a higher organ from having to make a payment into the production funds and for labor resources or from one of these payments.

4. Computed profit is understood to mean the planned and actual profit realized from the sale of products, work, services and other financial results considered in the planning of profits, less a payment into the production funds and for labor resources and interest for short-term credit.

5. Budgetary computations on withholdings from profit are carried out based upon the profit taken into account in conformity with the methodology for planning it.

Unplanned income, expenditures and losses, including amounts obtained and paid in the form of economic sanctions are viewed as profit which remains at the disposal of the enterprises.

Discounts from wholesale prices during 1988 and 1989 for the mentioned unplanned expenditures (losses) are not considered.

6. The accounting for and reflection of the final results of enterprises in reporting procedures are carried out in the manner approved by the USSR Ministry of Finances (3)

7. Planned and actual profits are used for:

a) payments into the budget for the production funds and labor resources in accordance with the established norms;

**ПРИМЕРЫ**  
распределения прибыли по предприятиям,  
работающим в условиях полного хозяйственного расчета и самофинансирования  
(в тыс. руб.)

	По плану (1)	(2) Фактически — варианты								
		I	II	III	IV	V	VI	VII	VIII	IX
1. Сумма прибыли от реализации продукции, работ и услуг и других финансовых результатов, учитываемых при планировании прибыли (3)	5000	5000	5000	5000	5000	5090 <sup>1</sup>	5000	5000	5150	4200
2. Плата за производственные фонды (4)	1000	1000	1300	950	1000	1000	1000	1000	1000	1000
3. Плата за трудовые ресурсы (5)	500	500	500	500	540	500	500	500	500	500
4. Проценты за краткосрочный кредит (6)	100	100	100	100	110	100	100	100	100	100
5. Расчетная прибыль (стр. 1—стр. 2—стр. 3—стр. 4) (7)	3400	3400	3100	3450	3350	3490	3400	3400	3550	2600
6. Отчисления от расчетной прибыли:										
а) в бюджет (норматив — 15%) (9)	10	50	465	518	503	524	510	510	533	390
б) министерству (норматив — 10%) (10)	340	340	310	345	335	349	340	340	355	260
7. Прибыль, остающаяся в распоряжении предприятия (стр. 5—стр. 6а — стр. 6б) (11)	2550	2550	2325	2587	2512	2617	2550	2550	2662	1950
8. Премии по итогам Всесоюзного социалистического соревнования (12)			40							
9. Сальдо внеуточненных расходов и доходов, относимых на прибыль, остающуюся в распоряжении предприятия (13)							400	— 400		
10. Финансовый резерв предприятия (14)		—							100	
11. Прибыль, направляемая по нормативам в фонды экономического стимулирования (15)	2550	2510	2325	2587	2512	2617	2950	2150	2562	1950

<sup>1</sup> В том числе дополнительная прибыль за счет поощрительных надбавок за эффективность и качество — 90 тыс. руб. (16)

Key:

1. According to Plan
2. Actual Variants
3. Total amount of profit from the sale of products, work and services and other financial results taken into account when planning profits
4. Payment for production funds
5. Payment for labor resources
6. Percentages for short term credit
7. Computed profit (page 1, page 2, page 3, page 4)
8. Withholdings from computed profit
9. a) for the budget (norm — 15)
10. for the ministry (norm — 10)
11. Profit remaining at the disposal of an enterprise (page 5, page 6a, page 6b)
12. Bonuses according to all-union socialist competition
13. Balance of unrealized expenditures and income applied to the profit remaining at the disposal of an enterprise
14. Financial reserve of an enterprise
15. Profit added to economic incentive funds in accordance with norms
16. Including additional profit by means of incentive mark-ups for effectiveness and quality — 90,000 rubles

b) interest payments for short-term bank credits, including interest for the bank credits of foreign trade firms, not provided for in the rights of legal entities (with the

exception of enterprises that converted over to complete cost accounting and self-financing prior to 1 January 1988).

c) withholdings for the state (including the local) budget (4), in accordance with the established norms for computed profit;

(d) withholdings for the ministry (department, GPO [state production association]) for formation of the centralized fund and reserves, in accordance with the norm established for computed profit.

Examples of the distribution of profit are cited in the appendix.

8. Profit obtained on days during which work is freely devoted to the state is excluded from the actual profit prior to it being distributed for the purposes mentioned in Point 7.

The actual profit obtained over an above the amount called for in the plan is reduced by the amount of withholdings at the end of the year for the material incentive fund, within the limits of the unused savings in the wage fund compared to the established norm.

The additional profit actually obtained by an enterprise by means of incentive mark-ups added on to the wholesale prices for new and highly effective products, which correspond in terms of their own parameters to the best domestic and foreign models, and for products bearing the state Badge of Quality, is included in the actual profit and is generally used in accordance with the approved norms for the distribution of profit (5). The withholdings for the budget from this profit, by quarters and annual reports for 1988 and 1989, must not exceed 30 percent of the total amount of the mark-up.

9. The planned and actual profit remaining at the disposal of a labor collective is used for forming the following in accordance with the established norms:

fund for the development of production, science and engineering;

social development fund;

material incentive fund.

10. The actual profit remaining at the disposal of enterprises prior to its distribution for the purposes mentioned in Point 9 decreases (increases) as follows:

by the amount of unplanned income, expenses and losses, including amounts obtained and paid in the form of economic sanctions and compensation for losses and also profit added to the budget in the event of deliberate concealment of income or an understatement of income as a result of production costs and a turnover in unrelated expenditures;

by the amount of bonuses awarded based upon the results of the all-union and republic socialist competition;

by the amount of the additional withholdings for the material incentive fund, assuming the complete carrying out of contractual obligations with regard to deliveries;

by the amount of withholdings from profit obtained by means of incentive wholesale price mark-ups for new and highly effective products and for products bearing the state Badge of Quality, or from a reduction in the cost of products (carrying out of work or services) as a result of the use of recommended solutions for new equipment, proposed in conformity with existing legislation for scientific organizations, developers and the co-executors of operations. The mentioned withholdings are carried out for work associated with the creation, mastering and introduction into operations of new equipment and completed in conformity with contracts concluded prior to the conversion of scientific organizations over to complete cost accounting and self-financing.

11. Enterprises can create a financial reserve using a portion of the planned and actual profit remaining at their disposal prior to its use in conformity with the approved norms for the formation of economic stimulation funds or by means of estimates for expenditure of the social development fund and the fund for the development of production, science and engineering.

12. In the case of low profitability enterprises for which normatives have not been established for profit withholdings for the budget and also planned-unprofitable enterprises which actually obtained profit, no withholdings from profit in behalf of the budget are carried out.

13. Budgetary computations for payments from profit are carried out on a decentralized basis.

14. When determining the actual amount of payments for the budget (payments for the production funds and labor resources and withholdings from computed profit), it should be borne in mind that prior to 1990 the total amount of bonuses for delivering export products in keeping with the established periods and in a high quality manner will be transferred to the material incentive fund by reducing the payments into the budget in the manner established by the USSR Ministry of Finances.

15. Control over the observance of stability in the norms approved for enterprises is carried out in conformity with letter No. 56/153/990/223 dated 24 June 1987 of USSR Gosplan, USSR Ministry of Finances, USSR Gosbank and USSR Stroybank.

16. This present standard statute enters into force on 1 January 1988.

17. When necessary, the ministries (departments), in coordination with the USSR Ministry of Finances, USSR Gosplan and the VTsSPS [All-Union Central Trade Union Council], can define the particular peculiarities involved in use of the present standard statute, with the specific nature of the branch's operations being taken into account.

18. The standard statute on the normative method for distributing profit during the 12th Five-Year Plan, for associations and enterprises which converted over to complete cost accounting, is no longer valid. This statute was approved by a decision of the Committee for Improving Administration, Planning and the Economic Mechanism (Report No. 54 dated 3 March 1987) and confirmed by the USSR Ministry of Finances (Letter No. 58 dated 5 March of the USSR Ministry of Finances).

#### Footnotes

1. Subsequently to be referred to as "enterprises."
2. The centralized fund for the development of production, science and engineering and reserves can also be formed in other organs of administration in conformity with existing legislation.
3. Reported to the ministries, departments and financial organs in Letter No. 67/13-09 dated 16 March 1987 of the USSR Ministry of Finances and the USSR Central Statistical Administration.
4. System for the inclusion in local budgets of a portion of the profit of enterprises of union subordination, as established in Letter No. 143 dated 29 May 1987 of the USSR Ministry of Finances.
5. Taking into account the peculiarities involved in using a portion of this profit in economic incentive funds, as stipulated in Point 11 of the Standard Statute On the Formation and Use of the Material Incentive Funds of Associations and Enterprises Which Converted Over to Complete Cost Accounting and Self-Financing, as approved by USSR Gosplan.

7026

**Restructuring Problems Aired At Donetsk Meeting**  
*18200041a Moscow EKONOMICHESKAYA GAZETA  
in Russian No 58, Dec 87 p 17*

[Article by A. Gnidenko and S. Pravdenko: "Sharp Distinctions of a Partnership"]

[Text] The Donetsk Oblast Party Committee, the Editorial Board of EKONOMICHESKAYA GAZETA and the Institute of Industrial Economics of the Ukrainian Academy of Sciences held a business-like meeting during which discussions took place on problems concerned with the cost accounting relationships of an enterprise

and the city. Representatives of the oblast's party, soviet and trade union organs, economic leaders, economists and scientific workers participated in these discussions.

"The radical restructuring of the economic administration is expanding substantially the rights of enterprises and the authority of local organs of administration and in this manner it is bringing about serious changes in the nature of their interrelationships" emphasized S. Povazhnyy, the secretary of the oblast party committee, as he opened the meeting. "At the present time, the interests of enterprises and cities, territories and branches, as is well known, do not always coincide. And we all understand why such importance was attached to the optimum combination of these factors and to the need for creating an economic mechanism for developing the city, in the article by M. Glazyrin entitled "Territorial Cross-Section of Acceleration" (Issue No. 52 of EKONOMICHESKAYA GAZETA for 1986) and also in materials published on the pages of the weekly immediately following the discussion. True, the most important questions of those discussed have now been resolved for the most part in the USSR Law Governing a State Enterprise (association) and in other documents concerned with restructuring of the economic administration, approved during the June (1987) Plenum of the CPSU Central Committee."

Hence, as further stated by S. Povazhnyy, today we must concentrate on implementing the decisions handed down, while taking into account the specific conditions and accumulated experience. We must clarify what we must do, how we must do it, what is restraining our efforts and what support we can count on.

It can be stated directly: these specific problems dictated by the very logic involved in restructuring of economic administration turned out to be far from simple for some participants in the meeting. They wished themselves to ask (and they asked!): "What is to be done now?" But it developed that they had to find the answers themselves and they had to develop their own positions and find their own places in the restructuring. And this is not easy!

In short, the chairman of the oblagoprom, S. Esina, was justified in replying:

"Yes, we still have not learned how to think and hand down decisions in an independent manner: we are being held back by stereotypes!"

#### Stereotype No. 1: "Administrative Methods Are Simple and Reliable"

During the business-like meeting, interrelationships between a city and an enterprise became a stumbling block and the subject of sharp disputes. How can they be evaluated? How can they develop under the conditions of complete cost accounting and self-financing?

The head of the Economic Department of the party's oblast committee, N. Kramskoy, stated in his speech that the existing interrelationships are inequitable. Other definitions were even more severe. The leaders of enterprises, for example, referred to them as being imperious and demanding and they reinforced these descriptions with examples illustrating how the rights of labor collectives were infringed upon.

For their part, the representatives of municipal authorities were inclined to believe that these relationships were thoroughly permeated by departmental aspirations and that this constituted the basic evil.

The discussion revealed the paradoxical nature of the contradictions existing between a "city" and an "enterprise."

Yes the executive committees, when supplying the enterprises with additional tasks, at times infringe upon the interests of the labor collectives. But this is done in behalf of the interests of the labor collectives, the members of which are simply city-dwellers, passengers and customers, pedestrians and patients, tenants, moviegoers and buyers.

In this varied "quality," with its numerous and diverse requirements for an "enterprise," even its own workers become somewhat of a surplus burden. Let the city-dwellers show concern for the city!

And the latter replies: they are your people and so you must help them. And new tasks are made available for the production of consumer goods, for rendering paid services, for participating in the development of infrastructure objects and so forth.

It is in such a constant struggle against the manifestations of departmentalization and a low estimate of the role played by social factors that the executive committees strive to achieve complete and balanced development for their cities.

Nevertheless, the chief contradiction is not that the interests of an "enterprise" and "city" do not coincide, but rather that an attempt is made to resolve these contradictions, which are economic in nature, using methods which are far from economic.

"We understand" stated the director of the Mine Administration imeni SOTSIALISTICHESKIY DONBASS Newspaper Yu. Baranov during the meeting, "that life itself forces executive committee workers to hand down strong-willed decisions. But they often lead us down a blind alley. For example, they assigned us the task of building a heating line 10 kilometers in length. Understandably, this was of great importance to the city. But where were we to obtain the pipe from if our production requirements are only being satisfied by 40 percent? They tell us to go and find the pipe! But indeed we are not talking about mushrooms.

"The problem has to do with certain incidents" stated V. Radchenko, the deputy general director of the Donetskugol PO [production association], the largest PO in the Donets Basin, as he proceeded to cite an example. "One department of the executive committee called upon us to repair a building of a kolkhoz market. Using what means — nobody bothered to reply. The work was carried out and here another department of this same executive committee levied a fine upon us for having violated financial discipline. And how could it not be violated, since the plans had made no provision for repairing the market. Everyone has tasks and all must at times resort to violations!"

"It is time that we became accustomed to this!" commented the chairman of the oblagroprom [oblast agro-industrial committee] S. Esin. "We are already following one rule: provide the enterprises with tasks for the additional production of consumer goods using above-plan savings and thereafter impose fines upon them for inefficient use of resources."

Understandably, such situations tend to develop among the economic leaders a negative attitude towards the tasks of executive committees and they engender a desire to repulse them using all available means. But it is possible to repel some of the tasks only when they are obviously nonsensical and this occurs, according to the deputy general director of the Zhdanovtyazhmash PO N. Shadovskiy, when impractical solutions are handed down for the problems at hand.

"This year" he related, "the Ilichevskiy Rayon Executive Committee in Zhdanov established an additional task for us in April — to produce 340,000 rubles worth of consumer goods over and above the plan. By this time, over a period of 4 months, we had already fallen behind in our production of goods by more than 1,200,000 rubles worth. In May, the Zhdanov Municipal Executive Committee increased the task to 840,000 rubles worth. Nor did the oblast executive committee stand idly off to the side. There was still the republic level. Overall, the discrepancy amounted to 4.8 million rubles — twice as high as the original plan. In reporting this, we cited our computations and the oblast executive committee admitted that a discrepancy had occurred in the carrying out of the tasks.

The nature of the relationships also affected the operational style of some of the Soviet organs. For example, the deputy general director of the Zhdanovtyazhmash PO for social matters, over a period of 77 working days — from 1 May to 14 August — invited the executive committees to attend various conferences and meetings on 82 occasions, including the Ilichevskiy Rayon Executive Committee on 41 occasions. The "luckiest" day in this regard turned out to be 3 August, when four invitations were issued at the same time.

"Such an operational style for the executive committees" stated N. Shadevskiy, "is in conflict with the restructuring and it simply inhibits the carrying out of official duties."

#### My Street and My Home But At What Expense?

Nature will not tolerate a vacuum. The economic vacuum in the relationships between a "city" and an "enterprise" is filled by wilfull decisions, but in the process it becomes a continuous generator of new problems and conflicting situations. And these new problems must be solved almost automatically using once again non-economic methods and quite often in a situation involving uncertain balancing along the border of law and party discipline.

The sources employed for forming the local budget when converting enterprises over to complete cost accounting and self financing are of special concern to workers attached to the local organs of authority.

Those in attendance were disturbed somewhat over the speech delivered by the chairman of the Druzhkovka Municipal Executive Committee G. Pronin. His words and the computations he cited indicated that the mass conversion of enterprises over to complete cost accounting and self-financing could strike a painful blow against a local budget, if in this complicated process the soviets assume the position of detached on-lookers.

A rather large hardware plant in Druzhkovka has annually turned over 600,000 to 700,000 rubles for the development of the municipal economy. The plant has been operating under the new conditions since January. Over a period of 6 months, its profit has amounted to 11.1 million rubles, although the plan called for only 8 million.

"Under the former managerial conditions, when 40 percent of the above-plan profit was assigned to the local budget, more than 1 million rubles were turned over to us" stated G. Pronin. But at the present time, following withholdings from profit for the state budget, the centralized fund and the ministry's reserve, we will obtain from the plant (under a withholding norm of 0.14 percent) 18,400 rubles. Roughly the same figures apply in the case of a porcelain plant and obviously for other enterprises as well. How can the city be developed?

There is a question! True, the rhetorical form for posing it arouses a certain amount of vexation.

Nevertheless, it is a painful question and one which should be assigned to USSR Minchermet [Ministry of Ferrous Metallurgy], to which the hardware plant is subordinate. It is also believed that this question is not limited to Druzhkovka or to Donetsk Oblast. It should also be addressed to USSR Minfin [Ministry of Finances] and USSR Gosplan. Indeed, with differentiated norms for withholdings from earned profits (which

includes the "former" above-plan profits), the enterprises operate under different stimulation conditions and thus the soviets are deprived of considerable funds.

During the business-like meeting, questions concerned with the formation of social norms were posed in a specific and constructive manner in the speech delivered by the deputy director of the Institute of Industrial Economics and Corresponding Member of the Ukrainian Academy of Sciences V. Mamutov. In his opinion, it is also advisable to develop a form for a standard report or agreement which lists the obligations of all of the ministries and enterprises located in a city. Such agreements, in the opinion of the speaker, could provide the basis for comprehensive plans for the economic and social development of regions.

A speech by Candidate of Economic Sciences M. Glazyrin was dedicated to a method for preparing the economic norms for the social development of a city, with the method deserving special discussion by a group of competent workers attached to USSR Goskomtrud [State Labor Committee], USSR Gosplan and other economic departments. In any case, it calls for scientific principles for the formation of social norms, including expenditures for reproduction of the working force.

"As yet, we still do not have scientific principles for the norms" commented the chairman of the Gorlovka Municipal Executive Committee A. Fomin.

In this regard, a question was asked as to how best to determine the contribution to be made by each specific enterprise or organization towards the development of a city and how to proceed with those who are contributing nothing to their cities.

"Analysis has shown that there are more than 200 organizations in Donetsk Oblast which often duplicate one another or solve similar tasks (computer centers, geological organizations of various ministries and departments)" stated the head of the Economics Department of the oblast party committee N. Kramskoy. "We provided the Ukrainian Council of Ministers with our recommendations for regulating and abolishing certain organizations, but they have received no attention. And this is wrong! Under the new managerial conditions, the question concerning the "contamination" of regions by such enterprises is becoming of greater concern."

#### With No Hope In the Instructions

It should be emphasized once again that the questions concerned with creating a flexible mechanism for interaction between an "enterprise" and "city" served not only as the basic theme for the business-like meeting — they were the center of constant attention by the party, soviet and trade union organs and the economic leaders in Donetsk Oblast.

It was stated during the meeting that priority importance is presently being attached to the formation of the main production-economic administration of the oblast executive committee, upon which great hopes are being placed with regard to the coordination of efforts and the concentration of forces and resources in the interest of achieving all-round economic and social development.

A search is being carried out in many directions: improving the all-round plans for economic and social development and the collective agreements, strengthening interaction between the local soviets and the councils of labor collectives and creating territorial inter-branch associations. The speakers noted that they could be based upon a general program for the all-round use of waste products and secondary resources, developed for the oblast by scientists attached to the Institute of Industrial Economics of the Ukrainian SSR. The work of the councils of directors is being further activated.

Attention is being focused on the experience accumulated in the city of Slavyansk, where under the direction of the party's municipal committee definite forms have developed for achieving interaction between the executive committee and the enterprises. These forms were discussed in detail by the deputy chairman of the municipal executive committee N. Zemlyak.

One result of this interaction was clearly obvious: the overall appearance of the city changed perceptibly. Here, all enterprises and organizations without exception participate in the construction of housing elements and social and cultural-domestic installations, in strengthening the logistical base of the municipal economy, domestic routine and public health, in developing the social sphere and paid services, they allot funds for civic improvements and so forth. And indeed all of this has already been accomplished! And at the present time, in accordance with a decision handed down by the council of directors and through the efforts of 16 enterprises, a fish breeding farm is being created based upon a cooling pond of the Slavyansk GRES [state regional electric power plant].

True, Slavyansk was considerably more fortunate than, for example, Druzhkovka, Makeyevka, Gorlovka and other cities throughout the oblast: here there are approximately three dozen enterprises representing practically all of the principal branches of industry and various levels of subordination. This provides greater opportunities for maneuvering and collaboration compared to cities where two or three giants resolve the fates of citizens practically by themselves, while the executive committees appear somewhat helpless, particularly when these giants are operating on an unprofitable basis. These are precisely the executive committees that are presently finding themselves in difficult situations, according to V. Yakimenko, secretary to the Donetsk Oblast Council of Trade Unions. What is the solution?

The 1st secretary of the Makeyevka Municipal Party Committee, A. Vinnik, believes that until such time as the unprofitable operation of enterprises in administering the development of the social sphere is eliminated, "it will not be necessary to refrain from using administrative-volitional methods. And if the enterprises are to be able to carry out the "requests" for assistance to be furnished to the rural areas and to the railroad and so forth, reserve funds must be created, including for manpower and wages. At such a time, it will become possible to regulate the relationships of an executive committee in a planned manner.

What is this: is it once again stereotype No. 1 and are there no other solutions for the problems?

"All of us need to know that lack of knowledge of the new principles of management and economic incompetence are dangerous" stated the secretary of the Donetsk Municipal Party Committee A. Omelyanchuk in his speech, "this is at the present time producing distortions and in the near future it will result in irreversible losses. At the same time, greater efficiency is needed in interpreting certain statutes and their legal formulation. This applies, for example, to the system for compensating for losses resulting from the failure of enterprises to carry out and this is a troublesome area with regard to solving the housing problem.

D. Maslov referred to the attitude of enterprises towards bank credit as being incomprehensible. It turns out that, with the exception of the railroad, nobody else is taking advantage of long-term loans, not even gormolzavod No. 1, which is urgently in need of modernization, as borne out by the director G. Braslavskiy during the meeting. But they are not taking out a loan. Why?

As stated by the participants in the meeting, money is not needed by those who do not have any resources or limits for capital investments or contractual work. In short, here there is hope for instructions and also hope that somebody from somewhere up above will provide coordination and balance.

### Conclusions

Under the new managerial conditions, the nature of interrelationships between a city and enterprises must be changed radically. This lies within the authority and competence of the soviets of people's deputies and labor collectives.

The creation of an economic mechanism for developing a city is still being held back by the stereotypes of reflection, by adherence to administrative managerial methods and by economic incompetence. General economic training must be oriented more clearly towards overcoming these problems.

The sources and the system for forming local budgets, under the conditions imposed by enterprises converting over to complete cost accounting and self-financing, require more precise definition. The creation of scientifically sound methods for developing the norms for the social development of cities must be accelerated.

7026

### Official Seeks Clearer Definition of Local Planning Rights

18200043 Moscow *EKONOMICHESKAYA GAZETA* in Russian No 51, Dec 87 p 23

[Article by Yu. Dmitriyev, chairman of the oblast planning commission, Vladimir Oblast: "Principles of Interaction"]

[Text] Who within the boundaries of an oblast should be considered the owner of land, water, forests, various minerals, and other natural resources? Of course, the executive committee of the oblast soviet of people's deputies. It is responsible to society and the state for an efficient and economical utilization of these frequently irreplaceable resources. It is gratifying that the basic statutes on restructuring in management give extensive rights in organizing the overall development of a region to soviets. It is a matter of realizing them.

Life urgently raises the problem of more clearly defining the legal rights of local planning bodies, because for the regulation of relations with enterprises of the industrial complex they have to deal not only with sectorial ministries, but also with the RSFSR Gosplan or the USSR Gosplan.

For example, soviets are permitted to set assignments for the output of consumer goods and paid services for enterprises of all sectors. Here too, however, our figures, in practice, are not obligatory on them at all. The last word belongs to their ministries, which change plans at their discretion and, usually, toward a reduction. For example, last year the deficiency of one item or another in Vladimir Oblast totaled 33 million rubles. This means that trade and customers experienced a shortage of many goods and the local budget was deprived of the turnover tax totaling one-fourth of this amount. One-half of the netted money would have been used to meet the oblast's most acute and urgent social needs. For this reason the local budget is also getting scanty this year. For example, the Aleksandrovsk Radio Plant, the Murom Radio Measuring Instrument Plant, and some other enterprises do not cope with the planned load.

To lend greater stability to the local budget, possibly, soviets and their planning bodies should be given the right to exact the sums of underdeliveries from undisciplined manufacturers of goods. For example, if a plant underdelivers articles for economic and cultural-general purposes worth 100,000 rubles, they are transferred to the local budget so that it is possible to buy similar

articles from neighbors and to ensure a balance of supply and demand in the region. This would be a step toward truly economic relations between local authorities and enterprises working on the territory.

A number of governmental decrees on nature protection in the country's various zones have been adopted recently. Nevertheless, the vegetable kingdom, wild animals, birds, and, consequently, man himself continue to be subjected to a destructive effect as a result of the weakly controlled discharge of the waste of industrial production facilities into the atmosphere and water and the wasteful storage and incompetent application of mineral fertilizers and herbicides to soil. The fight against this evil should be waged on a wide front in all directions by improving technology, expanding the network of cleaning installations, and, of course, increasing sanctions for poisoning air, rivers, and lakes with toxic substances.

Maximum permissible refuse norms, for which "polluters" do not bear any material responsibility, exist today. We believe that collectives, which do damage to nature, are obligated to pay up and to transfer money to a territorial Soviet government body for nature protection purposes. If, however, the pollution exceeds the sanitary limit, the fine should be increased manyfold. Otherwise, damage is done to nature, but as far as the culprit is concerned this is like water off a duck's back. For example, the Sim Alcohol Plant annually dumps into a tributary of the Nerl 400,000 cubic meters of Spongilla, from one smell of which flies die. However, this barbarity does not at all affect the enterprise profit.

If a charge for unpurified refuse is introduced, this will immediately affect the economic indicators of enterprises and under self-financing conditions will surely force them to engage in nature protection measures more energetically. However, an efficient system must be developed for this, that is, the mechanism determining pollution norms and the procedure of exaction and transfer of money should be regulated. In the country there are all kinds of many inspectorates involved in nature protection to one extent or another. However, there is no reliable defender.

On our own initiative with the help of a hydrometeorological office we have developed standards for all refuse at every enterprise in the oblast's three industrial centers—Vladimir, Kovrov, and Murom. However, we do not know who will set the amounts of the charge and coefficients depending on the degree of damage and within what time fines should be exacted. Obviously, there should be a joint document on this score by the USSR Ministry of Finance, the USSR State Committee on Prices, and other involved central departments.

The section "Improvement in Territorial Planning" of the decree of the CPSU Central Committee and the USSR Council of Ministers on restructuring in planning and enhancement of the role of the USSR Gosplan under the new conditions of management states that executive

committees of oblast soviets in the process of plan development should coordinate the activity of enterprises concerning matters within their competence. Enterprises of Union and republic subordination, before submitting their annual and five-year draft plans to superior bodies, should coordinate with the executive committee of the local soviet sections concerning the development of the social sphere, nature protection, land use, and other indicators set by the USSR Gosplan.

Unfortunately, there is no joint discussion of the plan. The necessary stage in the plan formation with due regard for the region's requirements was replaced with a bureaucratic procedure. Enterprises do not receive planned forms (blanks) from superior organizations. We ourselves circulate and distribute a large number of these "sheets." At first 1/2 ton of paper comes from us and then it again accumulates in filled form in the oblast planning commission. The result? Our disagreement with the indicators approved by enterprises is ignored completely. Here is a characteristic example.

The consolidated draft program for the 12th Five-Year Plan stipulated that the oblast's enterprises would allocate almost 103 million rubles for nature protection, but after the approval 84 remained in ministries. Consequently, there is not enough money to build installations for sewage purification of a capacity of more than 70,000 cubic meters in 24 hours and to recultivate more than 1,000 hectares of dumps and excavations. We can only limit ourselves to stating the fact that we do not have a method of forcing enterprises not subordinate to local soviets to spend money on protecting the environment from their negative effects.

To adjust the economic mechanism of interaction with enterprises, the following problem should also be solved. As is well known, enterprises now allocate funds for the construction of dwelling houses and projects for municipal, cultural, and domestic purposes to the oblast executive committee according to the share principle. At the same time, many of them care only about themselves, ignoring general city and oblast needs.

To solve the problem, the executive committee of the Vladimir Oblast Soviet prepared views on organizing a single customer service in construction, developed a method of evenly distributing resources for the social development of cities and rayons, and determined the volumes of commissioning of capacities throughout the years of the five-year plan. Unfortunately, however, funds for social construction, as before, are still scattered throughout enterprises and the aim of enhancing the role of soviets of people's deputies in accelerating the social and economic development of the territory very often results in their increased dependence on ministries.

As we see, the acute need for improving the mechanism of interaction of soviets with enterprises for the purpose of the region's overall development still persists. The

economic forms of interaction of economic links consolidated in sectors should also receive rights of citizenship in mutual relations of enterprises with local bodies.

11439

#### Journal Summarizes TV Discussion of Economic Reforms

18200037 Moscow *POLITICHESKOYE OBRAZOVANIYE* in Russian No 11, Nov 87 (signed to press 18 Oct 87) pp 17-25

[Article by L.A. Voznesenskiy summarizing the television program "On Economic Methods of Management" in the series "Problems—Explorations—Solutions"]

[Text] A.S. Nizhnikh, an engineer from Dnepropetrovsk, called the television station in Ostankino during the live broadcast of "On Economic Methods of Management" (in the series "Problems—Explorations—Solutions") and put this question to its participants: "The questions raised on the program and the answers to them have practical application in the operation of enterprises. Do you intend to publish them for the general reader in some journal? If so, which one?" The same kind of requests were made in letters addressed to L.A. Voznesenskiy, political commentator of Central Television who narrates the programs in this series. Responding to these wishes, our journal is publishing an abridged transcript of the program. The participants in the program were L.I. Abalkin, director of the Economics Institute of the USSR Academy of Sciences and corresponding member of the USSR Academy of Sciences; L.A. Voronin, deputy chairman of the USSR Council of Ministers and chairman of USSR Gosnab; I.I. Gladkiy, chairman of the USSR State Committee for Labor and Social Problems; B.I. Gostev, USSR finance minister; V.S. Pavlov, chairman of the USSR State Committee for Prices; S.A. Sityaryan, first deputy chairman of USSR Gosplan and corresponding member of the USSR Academy of Sciences; and B.L. Tolstykh, deputy chairman of the USSR Council of Ministers and chairman of the USSR State Committee for Science and Technology.

L.A. Voznesenskiy. The transition from the methods of administrative command to economic methods of management of the economy is the fundamental and leading idea that runs through the decisions of the June (1987) Plenum of the party's Central Committee and the session of the USSR Supreme Soviet held afterward. In view of the immense scale of our economy, its great sluggishness, the problematical nature of the present economic situation, and the need to solve in a short time very important scientific-technical, economic, and social problems and to do all this in the course of the current 5-year planning period without disrupting its fulfillment, but accelerating it, this task is anything but simple.

I would like to emphasize in this connection what the decree of the June Plenum pointed out: "...the party and the country have entered the most crucial period of restructuring—the period of practical deeds..." And the questions coming in to us are largely questions from our practitioners who in practical affairs have been encountering difficulties and problems in the present stage of restructuring. For example, M.V. Andreyev of Kiev (he referred to himself as an old production hand) sent us this telephone message: "I fervently support the transition to self-financing and full cost accounting (khozraschet). The time came long ago to rid ourselves of bureaucratic strategies and to begin treating our economy as an adult. But, and I repeat, but—will we be able to become masters of ourselves and at the same time fulfill the 5-year plan which was planned in the old way and in these same few years begin to work in the new way?" What can the participants in the program say on this topic?

#### Restructuring Without Breaking Step

S.A. Sitaryan. The main task today is to carry out the decisions of the June Plenum of the CPSU Central Committee. These are major transformations in the system of planning, material and technical supply, and pricing. It is a question of the transition of all enterprises in the sectors of physical production to the principles of full cost accounting and self-financing.

It is clear that in its scale and character this is no mean task. Performing it will take a certain time. In a sense we will go through a unique transitional period in which the old will exist alongside the new.

I think that the initial principle that binds this effort together is the conversion of enterprises to the principles of full cost accounting and self-financing. This is that foundation on which the Law on the State Enterprise (Association) can function fully. A schedule has been drawn up for the conversion of enterprises in the sectors of the sphere of physical production to the principles of cost accounting and self-financing. The transition is to be made for all practical purposes over the next 2 years. In 1988 all enterprises in machinebuilding and the wood-chemical complexes, ferrous and nonferrous metallurgy, the petroleum and gas industry, and transportation and communications will be converted to those principles. To give an idea of the scale of this effort we might say that even during 1988 enterprises with a share of about 60 percent of total industrial output are to be operating on the new principles.

I would also like to speak about certain specific features and difficulties of the transition to the new economic conditions. As has been noted here, this transition will be made without breaking step, in the context of the 12th FYP which has already been adopted and is in effect. The task is on the one hand to guarantee successful fulfillment of the targets of the 5-year plan, making use

in this of the capabilities afforded by the new economic mechanism, and on the other to convert enterprises without losses to the new economic conditions.

B.I. Gostev. We need to make the transition to the new methods of economic activity within the framework of a 5-year plan that has already been adopted. That is, we must guarantee fulfillment of the 5-year plan without changing its basic parameters. There is a widespread and general failure to understand this at present; many people are counting on receiving additional resources and are hoping for adjustment of the planning targets. That must not happen: we will make the transition to the new methods within the limits of the 5-year plan that is in effect. On what basis? On the basis of better operation.

L.A. Voznesenskiy. Boris Ivanovich, I think that in this framing of the question, which in principle is altogether correct, there is perhaps one point which is worth developing, and that is this: new possibilities for economic maneuvering are opened up as improvement takes place in the operation of every work collective and every sector of the economy. That is, the orientation needs to be toward mandatory fulfillment of the 5-year plan and toward doing everything possible and necessary so that by improving operation advantage is taken of the possibilities of the new economic method in the effort to overfulfill it.

B.I. Gostev. The most important thing is precisely that when enterprises overfulfill the targets of the 5-year plan they will receive additional resources, including financial resources, for formation of incentive funds, for housing construction, and for development of production. So that this aspect is very important.

I.I. Gladkiy. I would like to emphasize that under the Law on Enterprise it is not only enterprises, but all levels of management, that will be making the transition to the new conditions of operation. I am referring to ministries and departments, to central economic and republic management bodies.

L.A. Voznesenskiy. This observation is quite right, since it presupposes not only transition of the activity of enterprises to the principles of full cost accounting, but also a radical change in the functions of all higher-level bodies and in the methods of their operation. These are interrelated elements of what we call the integral system of management.

The question arises: But how about the plan for 1988, that is, the plan for the very next year, will it take into account to some extent those elements of restructuring of the economic mechanism which have been designated by the decisions of the plenum of the CPSU Central Committee and the session of the USSR Supreme Soviet? This question has been put by I.Ya. Panov, engineer, Yu.A. Vinokurov, planning department chief, and a number of other comrades.

**S.A. Sitaryan.** To a very great degree in fact, Gosplan is now completing the work on the draft of the plan for 1988. New approaches to the structure of the plan and to its formation were used in the course of this work. Secondary details have been removed from the plan. The important category of the state order is being included in the system of the plan for the first time. This is a new element in planning. The order of the state includes delivery of the most important products, those which determine the proportions of the economy and guarantee performance of major social and economic tasks, the strengthening of the country's defensive capability and its economic independence. The urgent task facing Gosplan is to get together with ministries and determine the contents of that order. This proved to be no simple matter, and we have been working on it very thoroughly and for a long time in all its aspects.

I might illustrate what has been done up to this point with these figures: If the plan had been formed in the old structure, in the old product nomenclature, then it would have been necessary to establish more than 11,000 items. At present, according to preliminary estimates, the plan incorporates approximately 1,500 targets. Later it will be formed to an ever greater degree on the basis of direct orders of consumers to enterprises. That is, the share of the state order will in relative terms be shrinking in the composition of the plan, and there will be an expansion of that portion which will begin to be shaped independently by the enterprise itself. Strictly speaking, this is in fact the real manifestation of the process of democratization of planning.

**L.I. Abalkin.** In my opinion, when we discuss this question we must emphasize that the most important part of this is working out economic standard rates and allowances and breaking them down to associations and enterprises with the greatest speed. Otherwise there can be no question of any full cost accounting or of the other elements of the new system of management.

#### Implementing Economic Methods

**S.A. Sitaryan.** A large group of questions coming in from television viewers are related precisely to the system of forming the standard economic rates and allowances. There has been a great deal of criticism of these standard rates and allowances; it is said that they are sometimes unfair and out of proportion. Some people pay more into the budget, others less, some people have large funds, others small ones, and so on.

Yes, as a matter of fact, the problems of sound development of standard rates and allowances do have extreme importance today. In view of the pluses and mainly the minuses of that method which was used in developing standard rates and allowances for enterprises in the first group that began to operate under this system in 1987, we are now attempting to form these rates with greater sophistication and more soundly. But I would like to say that at present prices, given the differing rate of profit

that exists, it will be very difficult to equalize all the rates and allowances in the context of a plan that has already been shaped. We have enterprises that operate at a loss—they represent a share of 13 percent, and we have an immense number of enterprises operating at 5-6-10-percent profitability. And it is clear that if we impose them the requirement of a uniform charge on assets, we will not be able to construct the model of cost accounting that is now being built. There will be some deviations, then, in the first stage, but I repeat that we will be trying our best to structure these rates and allowances with more sophistication, specifically taking advantage of the experience of enterprises in the Ministry of Chemical Machinebuilding.

**L.A. Voznesenskiy.** A number of the questions from viewers have to do with the activity of financial authorities. I would sum them up this way: What is the essence of the restructuring of the financial system?

**B.I. Gostev.** The essence of the financial-and-credit reform lies, first, in making finance a reliable instrument for carrying out economic strategy so that budget resources are committed to the fundamental structural transformations of the national economy, to performance of urgent social tasks and to guaranteeing the country's defensive capability. The mechanism of financial centralization has to be made more flexible so that every ruble invested in the economy yields appreciable results. Second, normal conditions have to be brought about for conversion of enterprises to full cost accounting and self-financing.

The main way to solve this problem consists of conversion to the normative method of distribution of profit or income in which a portion of the profit (income) is furnished to society for performing the tasks of the entire state, while another part is placed at the full disposition of the enterprise for the purposes of economic and social development.

**I.I. Gladkiy.** Comrade Semenova, chief of the planning department of a trust in Moscow, puts the question: "According to the Basic Principles of Restructuring the Economy, adopted at the June Plenum, two models of full cost accounting are proposed. I am interested in the model of the collective contract. According to that model, a single remuneration fund is created. Would that limit calculation of the wages of workers on the basis of the hourly rates and piece rates now in effect?" What can be said here? First, the work collective itself chooses which model it will adopt, but it must also get permission of the superior organization so that there is a uniform approach. Second, the Law on the State Enterprise allows creation of a unified fund for remuneration of labor. This is the business of the work collective. Is it necessary to take into account hourly rates and piece rates in distributing it? It seems to me that in the present stage it is still early to give up the hourly rates and piece rates, and that is why we must take them into account in determining the contribution of work and the wage.

A question from B.N. Rezkin in Mytishchi: "We have standard wage allowances per ruble of construction and installation work, and this also applies to supervisory personnel, engineering and technical personnel, and employees. And at the same time there is a limit of maximum appropriations for the wage fund used for management. Is this the way it should be? This is why we cannot make the transition to the new rates and salaries." Under the regulations now in effect the enterprise, association, or organization is assigned a total wage fund, and within its limits the enterprise itself determines the rates, including those of supervisory personnel, employees, and specialists.

Here is an anonymous question: "Our plant has made the transition to self-financing and self-support. A situation has come about in which the worker has lost between 50 and 80 rubles of wages: they have ceased to pay us bonuses. But the management is receiving bonuses. What sense does that make?" I am very sorry not to have the last name or the address. We might get to the heart of the matter. That cannot be or at least should not be. Evidently the preparation to the transition to the new conditions was made poorly.

L.A. Voznesenskiy, Boris Leontyevich! N.P. Laptev, an economist from Karaganda, has sent you what might be called an entire message: "The success of restructuring in the economy depends decisively on acceleration of scientific-technical progress in all its sectors. But one gets the impression that there is no authority in our country that would furnish the economic conditions for very rapid development and not just the feeble existence of progress of science and technology, that no one is seriously concerned with the economics of scientific-technical progress, and that no one is accountable for this most important aspect of the problem, that aspect which decides everything else. Will this be the concern of the Committee for Science and Technology (and how serious will that concern be), and will that be the basis of its activity?"

B.L. Tolstykh. This is a fundamental question. The State Committee for Science and Technology has a most important function—developing and improving economic methods of managing scientific-technical progress as a whole. The extensive program for improvement of the organizational and economic mechanism for the activity of institutes and design offices which are components of associations, independent organizations, and the scientific institutes of higher educational institutions and academies is scheduled for this very year.

Yu.V. Lebedev asks: "How will cost-accounting relations be built up between sector institutes and industrial enterprises in the context of self-financing of enterprises and centralized financing of sector institutes? How will the price for development of new equipment be set in those institutes?"

The basic principles of the transition of scientific institutions, NII's, and KB's to cost accounting and self-financing, as is well-known, have been approved by the Politburo of the CPSU Central Committee and by the USSR Council of Ministers. These principles are analogous to those being applied to industrial enterprises.

One of the fundamental innovations envisaged in the transition of scientific research institutions to the new economic mechanism is that they are making the move to working on the basis of orders from enterprises and to financing from their resources. Higher requirements are being imposed, then, as to the level of development projects and as to their dates of fulfillment. The committee has now begun to develop an economic mechanism for management of scientific-technical progress as a whole. The prices of the scientific product will become the most important element of that mechanism. In our opinion, those must be prices negotiated and set down in a contract.

V.K. Rapchenok and N.G. Malanov ask: "Today the institute is working out a comprehensive forecast of development of the fish industry up to the year 2000, and development projects are also under way in the field of scientific-technical information. Who will be financing these development projects beginning in 1988; what incentives will be provided for those working on those topics?" Development projects of this kind are to be financed from centralized funds of the ministry for development of production, science, and technology, since at present a production enterprise will hardly be found which will undertake their financing. But those working on these projects would be stimulated out of the profit or income of the organization, assuming, of course, that the work meets the standard as to quality and is done on time.

V.A. Rakshevskiy, chief of the scientific-technical department of an NPO: "Some 25-35 percent of the topics in the plans of sector institutes are problems of a general sectoral nature being done for head organizations and parent organizations, including problems on the setting of standards, pricing, and coordination. These projects are now being financed from the unified fund for development of science and technology. In the context of the transition to self-financing and cost accounting what mechanisms are intended for financing them?" The main source of financing for these projects will continue to be the centralized fund for development of production, science, and technology even in the context of the transition to self-financing and cost accounting. But there is a problem here, analysis shows that in many scientific research institutions there has been a higher growth of expenditures on projects not directly related to creation of new equipment and technology. Certain restrictions have to be established in this regard, since work to create new equipment, processes, and materials must, of course, have priority over other types of work.

**Wholesale Trade in the Means of Production and Prices on Them**

L.A. Voznesenskiy. Lev Alekseyevich! Z.V. Zhelay, a kolkhoz engineer in the village Avdeyevka in Kulikovskiy Rayon of Chernigov Oblast, has put this question: "It is common knowledge that kolkhozes have to seek out most building materials on their own. Are changes anticipated, how long will kolkhoz construction be held back, and how long will outdated instructions and recommendations drive people to violate financial discipline?" It seems to me that this question is relevant not only for kolkhozes, but also for many other enterprises, especially those which carry on construction by what is called the direct labor method.

L.A. Voronin. The introduction of wholesale trade in building materials and other products for production and technical purposes will eliminate the troubles you refer to. Introduction of wholesale trade in the means of production instead of those methods of establishing maximum allowances, which was the foundation of the old system of supply, is the basic and main direction in the new system of material and technical supply. The introduction of wholesale trade has already begun: the first 10,000 production enterprises and associations, scientific institutions, and certain other organizations have been operating under the new supply conditions since 1 January 1987.

What does wholesale trade envisage? Enterprises would be supplied products for production and technical purposes according to their orders without limits or allotments. This will first of all reduce the time between the enterprise's order for a particular product and the supply, the amount of paperwork will be sharply reduced to between one-fourth and one-sixth of what it was, there will be a better circulation of physical resources, and, most important, inventories will be optimized. A real possibility arises for enhancing the role of consumers in the economy. After all, in the context of wholesale trade in the means of production sales cease to be guaranteed in advance and become directly dependent on demand.

In 1988 plans call for increasing the volume of wholesale trade by more than 3.5-fold, and this includes commencing wholesale trade in certain building materials, electrical products, instruments, and industrial rubber goods. USSR Gossnab has worked out a step-by-step program for introducing wholesale trade. It calls for selling 130 billion rubles of products for production and technical purposes through wholesale trade by 1990, and 75-80 percent of all these products by 1992. In 1988 all enterprises in Estonia and the construction ministries of Belorussia, Moldavia, Lithuania, and Latvia are being converted to wholesale trade.

We must note that everything will not be converted to wholesale trade. A number of types of equipment with a lengthy manufacturing cycle, certain fuel and energy resources, rolled metal goods, and a number of other

products will still be subject to allocation and centralized supply, for which state orders will serve as the planned basis. S.A. Sitaryan has already spoken about how the share of state orders will decrease as time passes, and that will also mean a reduction in the volume of centralized supply, which will guarantee the further transition to wholesale trade.

L.A. Voznesenskiy. As you were talking about that, V.A. Parshin, an engineer, called and put this specific question: "Will a single statewide system of material and technical supply be built up in the country, and will the cumbersome management apparatus of supply in sectoral ministries and departments be done away with?"

L.A. Voronin. In carrying out the decisions of the June Plenum, ministries and USSR Gossnab are working on the new structure. It calls above all for reducing the number of tiers in the system of material and technical supply and for elimination of duplication and unnecessary depots. The staff of central supply authorities will be reduced. There will also be a certain change in the structure of the material and technical supply apparatus in sectoral ministries. Regional components of Gossnab will have an increased role. At the same time they will be converted to full cost accounting and self-financing.

A number of comrades have asked me about improvement of the management of material and technical supply in RSFSR. The decision has been made that as of 1 January 1988 RSFSR Gossnab will be subordinate to the RSFSR Council of Ministers and USSR Gossnab. In oblasts where there are regional components of USSR Gossnab and oblast administrations of RSFSR Gossnab, there are plans in this connection to strictly specialize these organizations in the first stage and to eliminate their duplicated supply efforts.

Several questions have come in on the use of secondary resources. Gossnab, Gosplan, and the Committee for Science and Technology have worked out a program on utilization of the most important secondary resources in the current 5-year planning period and up to the year 2000. Our manufacturing sectors are not developing sufficient capacity for the processing of these resources, and that is why in the remaining years of the 5-year planning period about 20 enterprises are to be built for processing old tires, 7 new factories for processing scrap paper, and capacities are being augmented for the processing of secondary polymers.

Cooperatives for collecting and processing secondary resources are a very important part of the potential. Today there are about 900 such cooperatives in the Gossnab system. They are operating very effectively. It is an important request to organize such cooperatives as vigorously as possible.

L.A. Voznesenskiy. A considerable number of questions has to do with the upcoming reform of pricing. What is its essence, and in what direction is scientific and management thought developing in this area?

V.S. Pavlov. People have been asking above all why we are not talking about partial improvement at the present time, but about a major restructuring of wholesale prices, purchase prices, retail prices, and rate schedules? This question is among the fundamental issues in building the new economic mechanism.

The point is that the foundation of today's price system was laid for all practical purposes in the mid-fifties, and that system is oriented above all toward increasing the volume of production. Take 1950, for example—we extracted nearly 38 million tons of petroleum, while today we are producing 617 million tons; production then was about 6 billion cubic meters of gas, while today its production exceeds 700 billion; iron ore was 40 million tons, and now it is 247 million tons.

And take note: all of these products—most practitioners in the economy are well aware of this—are today subject to considerable shortages. Every further ton of petroleum or iron ore or cubic meter of gas produced becomes more and more expensive. Thus the economy has objectively come to the limit where a growth in the volume of production does not make us richer, but, however paradoxical it might seem, poorer; it requires ever greater expenditures, and we must therefore make the transition to intensive methods of conducting economic activity on the basis of an acceleration of scientific-technical progress.

Meanwhile the orientation encouraged by the price system is still the inexpensiveness of natural resources and manpower that used to prevail. Under present conditions this inexpensiveness is illusory; it is highly relative and is largely artificially created precisely through the price system.

I would say that our system of prices today is not a system, but an assemblage of individual segments which are not joined together, but only tied to one another through the system of price differences and subsidies, through financing with redistributive processes, including the process through the state budget which accounts for the bulk of it. Can such a system operate in the context of the transition to intensive methods of conducting economic activity? What will happen to self-financing and self-support if the supplier puts a value on his product and profit at certain higher prices, while the consumer debits and determines his costs in altogether different and considerably lower prices?

For example, today coal is sold to consumers at 12 rubles per ton, while it costs the producer 18 rubles 40 kopecks. Or, let us suppose a "Niva" combine is supplied to kolkhozes and sovkhozes for 6,100 rubles, but its value is

9,500 rubles. Phosphate fertilizers are supplied to agriculture at 119 rubles per ton, but fertilizer enterprises determine its value at 260 rubles. Grain is purchased from kolkhozes and sovkhozes at an average of 150 rubles; the grain acceptance combine debits it at 111 rubles, and it is at that price that it goes for the baking of bread.

We spend one-fifth of the state budget and approximately one-fourth of all profit remaining in the economy to regulate such differences. This system simply cannot function under the new conditions. That is in fact why we have been talking about the need for a radical restructuring of pricing. We must build an interlinked system of prices that corresponds to intensive methods of conducting economic activity. The main thing in that system would be that it would encourage resource conservation.

In addition to eliminating the distortion of socially necessary expenditures in prices, a second problem also arises which corresponds to the new requirements: emphasis is put not on the product's production costs, but on its performance characteristics. We understand, of course, that there can be no use value without costs, but today, under the new conditions, the emphasis must still be on the product's performance characteristics. It is very important to determine the fundamental approaches that would make it possible for us to increase the role of performance characteristics in setting the product's price. For example, it is certain that the price should be set not per ton of fertilizer, but per unit of active ingredient in the fertilizer. Then it would make no sense to "boost up" total tonnage instead of providing more concentrated fertilizers. The question about coal comes out exactly the same: everyone knows that in the mining done in underground coal mines today there is a very rapid growth, unfortunately, in country rock, not just coal. That is why we have in mind that the price needs to be set per calorie and the price of the fuel determined on that basis.

S.A. Sitaryan. I would like to call attention to one other cross section of this problem. We must be clearly aware that with the old prices, with widely differing profitability, and great deficiencies of prices, we will not be able to provide the enterprise the correct orientation in selecting its product mix. The problem of profitability and unprofitability is not eliminated under the conditions of full cost accounting. On the contrary, in certain cases it may be posed more acutely, and it is with the help of prices that we must set up criteria of profitability and unprofitability that would correspond not only to the interests of the enterprise, but also to those of society.

V.S. Pavlov. Yes, that is the main thing. But in the present price system it turns out that we do not have reliable reference points even for planning and economic decisions at the upper levels of management, in drafting national economic plans on the scale of the entire state.

**S.A. Sitaryan.** The price system is still not the universal key to all the problems. It creates only one of the conditions for solving those problems, so that enterprises will operate in the necessary and correct direction.

**L.A. Voznesenskiy.** Allow me to add that without that key represented by the price, without that price key, without that financial key, without that cost-accounting key, and so on and so forth, we will not open the door to a new economy. That door is opened by a set of keys each of which must unfailingly be used and for all practical purposes at the same time.

**V.S. Pavlov.** I support you 100 percent. I would like to say this: today we need to take several blocks and make an operating system so that they do not contradict one another.

**L.A. Voznesenskiy.** The very integral system which was discussed at the June Plenum and the session of the Supreme Soviet.

**L.I. Abalkin.** There is a very major issue in theory and practice concerning the mutual consistency of the effects. In the process of restructuring it is important to see that finances and prices, the activity of the banks, the planning of science and technology, the supply system, and problems of labor and social development "operate" in a unified complex, as a system, and USSR Gosplan would head up this entire effort as the leading agency.

**S.A. Sitaryan.** The Economic Council was created under a decision of the Central Committee and the government. The chairman of Gosplan will chair that council, and the council's members will include the chairmen of Gosnab, the Committee for Science and Technology, the minister of finance, the chairmen of the USSR state committees for prices and for labor and social problems, Goskomstat, and the State Bank. That is the body which will meet those requirements which Leonid Ivanovich referred to. I think that this is the right idea, and it is important that the council be effective and purposive from the very outset.

#### The Economic Reform and the Problems of Prosperity

**B.I. Gostev.** I would like to touch on questions which a number of comrades have evidently been anxious about, which is whether the population will not be adversely affected during the restructuring of our economic system? For example, P.P. Morozov, a pensioner from Moscow, asked: "What specific steps have been taken in the country over the past 2 years to reduce inflation, to increase the purchasing power of the ruble, and to halt the unrestrained rise of prices of consumer goods and services? In *Arguments and Facts* (No 27, 1987) it was stated that there is no point in further repayment of loans unless the sphere of trade and services is strengthened, unless the market is saturated with goods for which there is a volume demand. It is well-known that the owners of bonds are mainly pensioners. Is that the right

thing to do—to build up the economy at the expense of pensioners?" They also ask: Is there the possibility of a new monetary reform like the 1947 reform?

My answer will be brief: There is no need for that. At the present time, the state of our country's economy and the stability of the circulation of money do not make it necessary to carry out any kind of radical monetary reform. Nevertheless, the problem of the circulation of money is a very complicated and crucial problem. Measures related to changes in the circulation of money in the country have been carried out in our country only in extreme cases. I recall that this occurred in the 1922-1924 reform, when there was a need to rebuild the economy after the Civil War and the Intervention; the 1947 monetary reform which was aimed at repairing the consequences of the Great Patriotic War, set the task of reestablishing a sound Soviet ruble and of easing the transition from the ration-card system to trade at uniform state prices. We need to state plainly that the economic situation in our country at the present time is altogether different. In spite of the signs of sluggishness in the economy which were discussed at the 27th party congress and in the plenums of the Central Committee, the economy has been developing, and the deficiencies are being overcome.

Difficulties today in the circulation of money are related to the fact that the effective demand of the public has not yet been satisfied fully enough, especially the demand for certain goods. Personal income has been exceeding the capability of their commodity coverage. At the end of the seventies and in the eighties commodity turnover grew at lower rates than personal income. This complicated the circulation of money. The party and government have now taken steps to increase the efficiency of our economy, to expand the production of high-quality goods, and to develop the service sector. All of this makes it possible to achieve better balance between personal income and expenditures and on that basis to strengthen the circulation of money and to increase the purchasing power of the ruble.

There is also another important aspect of this: We need to strictly observe the planned proportions between the growth of wages and the rise of labor productivity, since the difference between these indicators is the basis for the growth of socialist accumulation.

**L.A. Voznesenskiy.** Which is the only basis on which it is possible to conduct a policy of a higher standard of living.

**B.I. Gostev.** Absolutely.

As to loans. Many people have an interest in this question. The workers subscribed voluntarily to loans, they gave to the state resources very necessary for postwar reconstruction and development of the economy. This was in essence a nationwide patriotic movement of the Soviet people. In the postwar period 11 loans

were floated in a total amount of almost 26 billion rubles. In April 1957 a decision was taken to halt the lottery-prize drawing on loans previously floated by mass subscription. Their repayment was deferred until 1977 and was to be completed by 1996.

In actuality the repayment of loans began earlier, in 1974, and it has been done gradually as commodity and financial resources built up. The amount of resources for these purposes is determined annually in the national economic plan and in the state budget. In the time that has passed the state has entirely repaid the bonds of loans issued in the period 1947-1952. In all, a debt of 16 billion rubles has been repaid. But there still remains a debt of 10 billion rubles.

Resources are now being sought to continue repayment of the bonds of state loans. But the performance of this task will depend largely on the work councils of ministers of union republics, ministries, and enterprises do on the problem of production of goods and development of the service sector. The sooner and better we solve the problem of increasing the production of goods and developing the service sector, the faster we will be able to repay the debt to the public based on state loans.

L.A. Voznesenskiy. I would like to emphasize in this connection that all the processes of recovery of the Soviet economy, including the circulation of money in the country, begin and end primarily in the sphere of production: These are the rise of labor productivity, improvement of product quality, elimination of shortages, and production of that product mix which the consumer needs.

V.S. Pavlov. I have received many questions which essentially come down to just one—the question of rumors. I quote: "Will food prices be raised? There are persistent rumors going around, they are unpleasant to hear, and we would like to know whether they are true or not." And again: "There is a lot of talk on the street about raising food prices—is that going to happen or not?" And at the same time there is a question like this, which is also a comment: "No far-reaching political-economic conclusions should be drawn on the questions of pricing. We would like to hear specific answers to the questions of food prices, how much will they rise?"

I must say that the Committee on Prices has been receiving a large amount of such letters asking for the date of the price increase and even referring to the actual size of price increases. I will honestly say that I am not in any case aware of this, because at present we do not intend to do that this year and probably not next year either.

Pursuant to a decision of the June Plenum of the CPSU Central Committee, USSR Goskomtsen has started to work on the question of retail prices. It must be clearly stated: the revision of prices will be carried out in the

interest of accelerating our economy's development, in order to increase the production of the necessary produce and commodities and to increase the prosperity of the workers.

As of today we still do not have any proposals which are at all satisfactory so that they might be submitted to central economic authorities for discussion, not to mention their presentation for nationwide discussion pursuant to the Law on Nationwide Discussion of the Important Issues of the Life of the State. Only when a draft document reaches a form on which a decision can be made will it be presented to the public for its judgment. But it needs to be said quite definitely that the reform of retail prices is not an instrument for supplying revenues for the budget at the expense of a drop in the standard of living of the workers. We must clearly understand that it is aimed at creating conditions and incentives for development of production, for increasing production efficiency, and—on that basis—for increasing real personal income. Sound, correct, and fair forms and scales of compensation by increasing remuneration of labor, pensions, benefits, and other income are from this standpoint just as important as the price level and price relations.

I.I. Gladkiy. I have received many questions concerning pension security. Ya.N. Bakhnov asks why I have been silent about pensionable age. S.V. Frolov says: "Recently, there have been persistent rumors going around that the pension will be computed for the last 5 years. What is more, men will retire at age 65 and women at age 60."

Esteemed comrades, let us be quite clear: no one intends to have men retire at 65 and women at age 60. At the present time, Goskomtrud, Gosplan, Minfin, and the AUCCTU are working on the draft of the Law on Pension Security, and the question of pensionable age is not being raised there. As far as what we might call the overall ideology of that draft, today it is still early to say what provisions will be made in it, and it is also early to speak about the principle of counting the last 5 years. I would only say that the size of the pension will be closely linked to the contribution of work in that it would be different for someone who has 25 years of pensionable service (for men) than it would be for someone who has 45 years of pensionable service, for someone who has done good work and for someone who has done average work. That is what will be taken into account in the new law, that is the provision that will be made in it. Essentially there will be a rise in the level of pensions, the principle will be clearly pursued of uniformity of pension security of all strata and groups of the population: that is, workers, employees, and kolkhoz members. Anticipating questions in advance, I will say that pensions awarded previously will also be adjusted.

After the draft of the law is worked out, then it comes up for nationwide discussion. The draft of the law will be published in 1988.

### Restructuring and the Social Sciences

L.A. Voznesenskiy. L.F. Zhidkova, a personnel development engineer from Dubno in Moscow Oblast, has put the question about the connection between Marxist-Leninist theory and social practice, about what perestroika has provided to development of the social sciences, and what science has provided for perestroika.

L.I. Abalkin. At the level of principle, the present restructuring is complicated, radical, and revolutionary in its scale, while in its spirit it is based on the fundamental principles of Marxist-Leninist theory, on the doctrine contained in the classics concerning the character of our society's development as a society built on the initiative and creativity of the masses, on scientific conceptions of social ownership, a planned economy, and cost accounting.

Of course, the bitter truth has to be stated that there have been rather lengthy periods in our history when social thought was stagnant, when it was marking time, when quotations were used and abused to the detriment of analysis of the actual practice of socialist construction. But we are now observing a rebirth in all respects, including even this area. I think that restructuring would have been impossible without the important groundwork laid in theory.

The present restructuring represents the road we have been traveling since October 1917; this is a continuation of the work of the revolution in the new stage, under the new internal, international, social, political, and cultural conditions. But this is a continuation of that most important cause, a movement toward those same goals and ideals.

Here is the question put, for example, by O.I. Kovalev of Gorkiy about joint firms between the Soviet Union and the capitalist countries: "After all, there must be some kind of autonomy and independence! For 70 years they have been fighting the economic progress of the Soviet Union, and now are they going to help us to build socialism?" Well, this is not after all a question that has just arisen today—Lenin posed it under the most difficult conditions. And if we are ready to receive from them and are able to obtain from them something in the field of technology and processes and in financing our efforts, we need to take it.

L.A. Voznesenskiy. And that would be on the basis of mutual advantage.

L.I. Abalkin. Of course. We will never give up our independence in any respect, but today there simply cannot be autonomy in the sense of isolation from the rest of the world.

A very interesting question has been put by S.B. Tonkevich: "How will the historical experience of our country in the twenties, the fifties, and sixties, and

that of a number of foreign socialist countries be taken into account?" In the process of preparing perestroika and the reform a thorough study was made of both the lessons of our own history (the January and June plenums provided a brilliant analysis of our lessons, achievements, and mistakes), and the experience of all countries, and that means both the pluses and the minuses. But every country has its own specific identity, and there is no ready-made design or model of an economic mechanism that exists either in our own past or anywhere abroad. The study of experience makes us wiser, but in no respect does it relieve us of the search for the new and most effective methods of management.

The question of A.P. Konovalov, a propagandist and participant in the war, has to do with the Yugoslav model of management of the economy: "Won't we encounter the same trials and adverse consequences that have been typical in the theory and practice of the functioning of the economic system in Yugoslavia?" That system is of considerable interest, and there is much to be learned from it. We also see its negative features: inflation, unemployment, and so on. We know that the Yugoslav economic system has not provided an effective combination of the principles of centralism and decentralization in management of the economy. While appreciating the experience of that country as well as of the other socialist countries, we are trying to find our own mechanism for the interaction between economic methods of centralized management and the broadest independence, initiative, and responsibility of enterprises, with self-management of work collectives.

And now a question of I.P. Sergeyev, a machinist and patternmaker from Moscow: "A great deal is being said about self-management. Is this really being done, or are these only words?" As for self-management, we are not starting here from scratch. By definition our system is built on the self-management of the people. It is another matter that this system has frequently been bureaucratized, that collectives have quite often been cut off from the process of making management decisions by a mass of instructions, regulations, and centralized assignments. But, I repeat, we are not beginning from scratch, and it would be a mistake to think that we have not had self-management up to this point and it is beginning now. This is our fundamental line. We are now going further in our ideas; we want to make the work collective a true master—a master that is enterprising, thrifty, and responsible, we want it to feel not only the joy, but also the seriousness of self-management. This is a very serious matter, and in this area there is still a great deal to be done and many things to be overcome.

L.A. Voznesenskiy. Leonid Ivanovich, will a new textbook in political economy be published for higher educational institutions? This is the question of R.I. Ganicheva, engineer. The question of the economics education of personnel, including education through textbooks, is obviously quite important to solving the problems being discussed today.

L.I. Abalkin. A competition ended recently for a textbook for higher educational institutions, and the jury found itself unable to award either the first, the second, or the third prizes to any of the manuscripts submitted. This largely seems to be related to the fact that the teams of authors, scientists, and personnel in higher education turned out to be unprepared for many of the present ideas. The decision was nevertheless made to publish one of the textbooks which received an incentive award as a teaching aid in order to fill the gap. A decision was made at the same time to write enduring and major textbooks, but their preparation will take about 2 years. Until that time broader use needs to be made of the capabilities of our mass media, above all journals and newspapers. I will speak in particular about the journal *Voprosy Ekonomiki*. It regularly publishes and will continue to publish articles meant to help lecturers and propagandists concerning the topical questions of economic theory.

S.A. Sitaryan. There is one more question which somehow seems to be bothering all those present: Are we convinced that we will carry the restructuring which we have begun to the end? Comrade M.V. Shcherbatyy of Krivoy Rog emphasizes: "I am convinced that to complete restructuring we need to break up many relationships in our society." We concur in that approach to restructuring and have been attempting to talk about the new things that are today taking shape in the system of planning, material and technical supply, and pricing.

L.A. Voznesenskiy. In view of the fact that we need not only to break up, but also to build, and this must be done simultaneously.

S.A. Sitaryan. Yes, breaking up in order to build. I do not think that even the questioner himself intended only to break things up.

L.A. Voznesenskiy. The success of our restructuring depends to a decisive degree on the success of restructuring in the sphere of the economy; the success of restructuring in the sphere of the economy depends upon restructuring in the sphere of its management; the success of restructuring in the sphere of management depends on how vigorously and consistently we all travel, in all the central departments, in the ministries, and in associations and enterprises, along the road of shifting the center of gravity from administrative methods to economic methods of management. Only on that basis will we be able to achieve acceleration, will we be able to prepare the conditions for solving all those complicated problems which have now accumulated in our social sphere.

I thank everyone for taking part in the program, including the viewers who displayed not merely close attention to the problems being discussed, but also a high level of civic activity and motivation.

COPYRIGHT: Izdatelstvo TsK KPSS "Pravda", Politicheskoye obrazovaniye. 1987

07045

## REGIONAL DEVELOPMENT

### Moldavian Commission Criticizes Food Industry Resource Use

18200022b Kishinev SOVETSKAYA MOLDAVIYA in Russian 11 Nov 87 p 2

[Article by B. Boyko: "They Lost So Much..."; first three paragraphs are SOVETSKAYA MOLDAVIYA introduction]

[Text] At the joint meeting of the Permanent Committee for Industry and the Permanent Committee for Power and Electrification of the Supreme Soviet of the Moldavian SSR there was a discussion of the problem of the work being carried out in the Moldavian SSR food industry for efficient use of material and power resources in the light of the requirements of the 27th CPSU Congress and the 16th Congress of the Communist Party of Moldavia.

V. Filatov, chief of the Main Administration of the Food Industry of the MSSR Gosagroprom, gave a report, and N. Domentiy, director of the Joint Deputy Preliminary Committee, gave the co-report.

N. Kiriyak, secretary of the Presidium of the Supreme Soviet of the Moldavian SSR, participated in the meeting.

At the enterprises of the Main Administration of the Food Industry of the MSSR Gosagroprom, just as in other sectors of the republic's national economy, a great deal of work is in progress to carry out the comprehensive "Ekonomiya" [Economy] Program adopted last year. And once work is in progress, there are, accordingly, results of it.

On the one hand, as was noted in the summarizing documents of the meeting, the results achieved are detached—last year the enterprises of the main administration saved various material valuables amounting to quite a notable sum—6.69 million rubles. The workers at the sugar mills tried particularly hard. They saved just under 4.5 million rubles worth of raw material, fuel and electrical and thermal energy.

The members of the committees could probably, without any particular trouble, calculate how many extra days the republic's food industry could work on the gasoline, mazut, electrical energy and other materials saved. There were, however, no calculations of this sort. And therefore, it did not happen that those documents from the deputy meeting clearly designated the figures attesting to

the tremendous overexpenditure of that same raw material, electricity and heat, to the losses of finished products and to the "unemployed" foreign equipment, which was paid for with gold. Here are a few illustrations of what has been said. The Kalininskiy, Gindeshitskiy and Aleksandrenkiy sugar mills alone lost, for various reasons, 6313 tons of output, the value of which was 3.6 million rubles. If to this impressive figure one adds the 1,632,000 rubles worth of unproductive expenditures permitted in the food industry in 1986 and the 1,015,000 rubles paid by the enterprises of the main administration in fines, and if to this one adds the hundreds of thousands and millions of rubles that have been lost because of the fact that uninstalled (most often new, highly productive!) equipment stands idle, it will become clear that the republic's food industry is doing a poor job of fulfilling the "Ekonomiya" Program.

The deputies who took part in discussing the report made by V. Filatov and the co-report, made by N. Domentiy—M. Margarit, brigade leader of the Kishinev electrical network, G. Dudarev, leader of the Beltsy-trans Association, N. Novikova, electric wiring worker of the Kishinev Vibropridor Production Association, L. Stati, worker at the Glodyanskiy Sugar Mill, N. Dudeu, head of the Department of Industry of the Moldavian Communist Party Central Committee and others—not only addressed the advanced experience and the negative experience in the matter of resource and energy conservation, but also clearly indicated the causes, in either case explaining why, so to speak, someone finds and someone loses.

Particular stress was laid, naturally, on everything that hinders the process of restructuring, both in the sector as a whole and in solving individual problems facing it. Among these are the problems of careful, thrifty use of raw material, materials and energy and of introducing resource-saving technology.

Indeed, confirmed the deputies, who had studied the state of affairs in the food industry on the eve of the meeting, the workers in the main administration had done a great deal for prompt working out of measures to solve the problem in all its aspects. These measures, however, having arisen within the precincts of the main administration, simply did not cross its threshold—the lower units are barely familiar with the special sectorial features of the "Ekonomiya" Program. Hence—the absence, in many collectives, of an assiduous attitude toward the national good. This absurdity is characteristic in this plan: the main mass of workers of most of the enterprises can participate only formally in the movement of the thrifty ones—at the work places, in the shops, there are no instruments making it possible to determine who, what and how much has spent, saved, "been excessive." These instruments, if they exist, as a rule consider the general plant expenditures. As long as the plant as a whole has achieved a saving, each one obtains a bonus, regardless of whether he saves electricity or has consumed it carelessly.

Quite a large amount of the output, initially, probably, of good quality, corresponding, as they say, to the standards and technical levels, after a while loses the so-called fresh look, deteriorates, becomes worthless, and sometimes is even misappropriated. The explanation here is quite simple: many food industry enterprises have nowhere to store their output. For example, the Bukuriya Confectioner's Factory is only thirty-percent provided with warehouse facilities.

Enterprises that had achieved notable results in economy were named at the meeting. Among them was the Glodyanskiy Sugar Mill, which overfulfilled the assignment to conserve electrical energy by a factor of 2, the Gindeshitskiy Sugar Mill—by a factor of 3.2 and the Atakskiy Oil Extraction Plant—by a factor of 5.8. The figure, of course, is good, said one of the committee members, but it doesn't arouse much confidence. Most often here, unsubstantiated norms for energy consumption are in action.

Overexpenditure of resources often occurs due to the fact that the sector's enterprises operate obsolete equipment, which stands more than it operates, and because of its decrepit state, requires twice as much energy as new equipment. But a new machine tool, machine, or line must be put somewhere, must be installed somewhere. And the sector simply has no "somewhere." A considerable number of the enterprises are huddled together in old facilities, not appropriate to the spirit of modern technology. Some of them must be rebuilt and others—radically renovated. Neither the one nor the other, however, is always done in the period and at the level corresponding to the demands of the moment. In the opinion of V. Filatov, chief of the main administration, the creation of a sectorial planning institute could rescue the republic's food industry from this difficult situation.

In its resolution, the joint meeting of the two permanent committees of the Moldavian SSR Supreme Soviet recommended that the Main Administration of the Food Industry of the republic's Gosagroprom carry out measures directed toward improving the state of affairs and toward unconditional fulfillment of the comprehensive "Energiya" Program.

12151

## MODELING, ECONOMETRICS, COMPUTERIZATION

**Lack of Technical Mathematics Training for  
Economists Scored**

18200041b Moscow *EKONOMICHESKAYA GAZETA*  
in Russian No 50, Dec 87 p 18

[Article by P. Tvarionavichus, professor at the Vilnius Higher Party School and Doctor of Economic Sciences: "Unfortunately, A Familiarity With Computers Is Lack-ing"]

[Text] There can hardly be any doubt regarding the importance of a prepared document. Indeed, it embodies the concept of "new technology" for the training of

economists. However, it obviously cannot be said that the proposed system of measures for restructuring economic education is fully adequate.

Let us take the statutes of the plan which deal with the essence of training.

The constantly increasing complexity and probable nature of the socio-economic processes and phenomena require that they be reflected in an appropriate and even leading manner during the training process. A question arises in this regard: is it possible to discuss the fundamental training of specialists even though no provision is made for studying a series of economic-mathematical disciplines?

An economist of any profile is hardly capable or obligated to cope with such a task or to conduct an objective, comprehensive or systematic analysis of economic facts if he has not mastered the modern methods of socio-economic diagnostics.

In order to ensure that computerization does not slip backwards and that full use is made of the potential afforded by computer equipment, people are needed and particularly a corps of economists who possess higher educations and who are capable, based upon thorough mathematical knowledge, of finding the shortest paths for solving economic problems.

Such an "economic-mathematical minimum" includes the theory of probabilities and mathematical statistics, the theory of solutions and expert evaluations and the methods for mathematical programming and simulation on computers. If an economist is unable to gain a familiarity with computers, nothing sensible will emerge from his efforts. Unfortunately, the plan for the formation of analytic reflection is stated in a very timid manner.

Let us now consider the system of continuous economic education. It is our opinion that a program for the professional training of economic leaders has not been developed in the appropriate section. And indeed today the basic economic training for economic leaders and their official studies have been developed to only a weak degree.

Nor has there been any attempt to develop the interaction of branch and territorial organs of administration in connection with the organization of training for economic leaders.

Thus, in accordance with a study carried out throughout the republic, cooperation between branch and inter-branch training centers is lacking and there is no unity of management in the training, methodological and scientific-research work being carried out at centers for the professional training of economic leaders. There have been frequent instances of branch institutes, subsidiaries and course functioning within a region or large city, with no attempt being made to establish interrelationships between them in the work of training personnel.

For example, there are now 25 such centers in the Lithuanian SSR. And what is the result? The desire on the part of each ministry or enterprise of union subordination to create a weak but its own departmental center for personnel training has produced a situation in which a number of them now lack highly skilled teachers and the required training-scientific and logistical base. Here, on the one hand, we have parallellism and duplication and, on the other — failure to include certain groups of administrative workers, especially those whose work is inter-branch in nature. This inevitably lowers the effectiveness and quality of the instruction.

What measures are recommended for eliminating these shortcomings?

First of all, it is necessary here to make full use of the advantages offered by a planned system of management. The creation of a single state system of professional training for economic personnel must put an end to departmentalization in this area. Professional training must be carried out in strict conformity with the national economic requirements for particular specialists and it must be assigned, depending upon the various training types and forms, to the appropriate specialized training centers. In addition, the goals, content, duration and organizational forms for the instruction must be specifically defined and they must be made to conform to the needs of the specific enterprises and branches.

## AGRO-ECONOMICS, POLICY, ORGANIZATION

### Academician Criticizes Course of Gosagroprom Reform

18240021 Moscow *IZVESTIYA* in Russian 17 Dec 87  
p2

[Article by V. Tikhonov, VASKhNIL academician:  
"Where Independence Begins"]

[Text]

#### A Decorative Change

Everybody strives to achieve basically new changes. Six ministries were eliminated and a new edifice erected in their place — a single state committee — agroprom [agricultural committee]. Six more single-structure ministries were joined in pairs into three larger ministries. A number of union-republic departments were converted into all-union organizations. The central administration was reorganized into a state committee. The branch departments of the agricultural academy were transformed into scientific complexes, while being doubled in number at the same time. New signs, new functions and new obligations. And, as a result, a strengthening of the authority of the central departments.

The fiscal year is ending. Active preparations for the new year are underway. The teletypes, telephone lines and the mail service are all overloaded as they transmit an endless flow of figures — plan tasks, corrections and instructions.

An economic leader places piles of business papers off to the side — he is unable to read them. And there are telephone instructions: the number of hectares and on which fields the wheat, barley, oats, corn for grain, corn for silage, potatoes and rape are to be sown and how many cows, sheep and swine are to be maintained.

The farm leaders shrug their shoulders. Some in bewilderment and others with a shrewd smile: what is there to be surprised about here? As it has been, so it is now. On the one hand, there is an irresistible requirement for a restructuring of economic life and, on the other, an economic administrative staff with internal laws that have existed for six decades and traditions and rules that have been recorded in legal and semi-legal documents. It has been staffed with millions of experienced, skilled, wise and knowledgeable people. The more conscientiously each one of them works, the stronger is the staff. That is why it appears as an inflexible force and as an inflexible requirement for reorganization. The balance in these forces: on the one hand — the forces of restructuring and, on the other — the staff.

The signs have been changed and yet in our opinion independence has still not reached those deep layers towards which the restructuring and innovations are oriented.

#### But Does a Kolkhoz Need It?

Today the plan still provides a farm with the volume of products to be produced in kind and by types. The resources for a planned task by types of products are allocated on a centralized basis (it is stipulated immediately; in reality the resources are allocated not on the basis of a task but rather according to the potential and often without taking into account the requirements of those who utilize them).

In accordance with the plan, the principal bulk of the products is turned over to procurement organizations. The other channels for output sales are extremely limited. The prices are established on a centralized basis and by no means do they always compensate for the expenses involved.

In carrying out the plan, a kolkhoz is often required to grow products for which the natural-climatic conditions in the particular region are unfavorable. For example, potatoes on clay soils; sheep in regions which lack pastures; wheat and vegetables outdoors in northern oblasts characterized by early frosts and snowstorms. Naturally, such a production structure will not produce profit. What is the solution for such a kolkhoz? The plan should include profitable types of products, the purpose of which would be to compensate for the losses sustained from the cultivation of unprofitable products. Or a request should be made for additional resources for creating better production conditions. The planned production costs should be increased.

And if the farm continues to operate on an unprofitable basis? There is still another solution. Request a mark-up be added to the prices; request loans, even though it is known that no money will be available with which to make repayment. In short, become a dependent of the state budget or a bank.

The outcome is fully realistic, since the party that assigns an unprofitable plan bears formal responsibility for establishing it. Thus the planners and administrative institutions constantly display concern for ensuring that a kolkhoz is compensated for its increasing expenses.

Under these conditions, some economic executives search for opportunities for increasing their income in the interest of creating a more efficient production structure. They resort to cunning measures, they are forced to employ semi-legal (at and at times illegal) forms, they make use of various commercial channels and so forth. But this practice is dangerous. And in past years, many chairmen have had to face the consequences.

Others, while accumulating and generalizing the painful experience of others, adapt and rather calmly maintain their status as dependents. They truly are in no need of economic independence.

However, there are some others as well. A comparatively few kolkhozes passed us by a long time ago. Their profits of many millions of rubles, the far-flung economic and private contacts of the leaders and their high authority and prestigious social status are creating exceptional conditions for them. They have no problem with an unprofitable plan. They form the plan themselves, one which later is issued to them.

But for us the overall conclusion is important and not the exceptions to it. The greater the regulation of the economic activity of a kolkhoz, the more restrictions will be placed upon the opportunities for utilizing the social potential of our economic system. According to our estimates, our agriculture "withdraws" annually from nature not more than two thirds of the total amount of gross output that could be obtained given our present logistical base. But this still is not all. No less than one fourth of everything grown and harvested is lost irretrievably during post-agricultural stages — through lack of responsibility for protecting it.

A kolkhoz is only one link in an invisible but real chain of united agro-industrial production. Let us imagine a partner of a kolkhoz — the director of a plant engaged in the production of combines.

He is accustomed to the fact that he is unable to find a ready market for his products. If success is achieved in including a particular model in his production plan, his combines will be apportioned among the consumers despite the quality, price and operating conditions. A combine is moved up onto a railroad flatcar and the monetary earnings are calculated. And if this is true, then it should be possible to supply combines which are unassembled, incomplete and lacking a set of spare parts. This is already a concern of the consumers.

Does he require independence? Yes, it is needed. But only for ensuring that there is no interference in the production that is profitable to him. And also to ensure that the railroad cars, completion units, raw materials and so forth are made available exactly in keeping with the plan. He will experience difficulties with the suppliers. But he has certain rights — a plan! It requires that the planned deliveries be carried out for him. He is cleared in advance if the plan is not carried out through fault on the part of the suppliers.

And by no means does he wish to search independently for a purchaser for his products, barter with them over the matter of price or search independently for the needed resources. He is accustomed to the fact that a plan enables him to distribute products and not to sell them. The price for his product, one which is mandatory

for the consumer and profitable for him, is set forth in the plan. The consumer must not participate in this ticklish work. His task is to accept and not purchase.

But if a modern day parasite is deprived of the possibility of living at the expense of the state, he will be forced to use his head more inventively. He will be unable to do this and will be forced to retire and make his position available to someone who is more deserving. Place an economic hero or a plant director under the stern control of a purchaser, one who has the right not to pay for a defective product. And they will be forced to adapt to the requirements of the purchaser.

Only direct and open competition between a producer of goods and a consumer, one which places a salesman under the strict economic control of a consumer, will provide us with a mechanism which will motivate each individual to achieve greater progress in his production operations.

But this requires the presentation to an economic leader of complete independence in planning and organizing production and in the distribution and sale of his products, an independence which calls for unconditional material responsibility for the results of management.

#### Whoever Carries Out the Planning Is in Charge

This is not the first time that we have condemned as harmful to agricultural development the practice of unceremoniously imposing from above, upon the kolkhozes and sovkhozes, the tasks with regard to the dimensions of their sowing areas, their structure, their livestock numbers and other production indicators. Why must we again defend their right to do this?

Any large undertaking begins with a plan. Whoever carries out the planning is in charge. Whoever has the resources also possesses the authority. The desire to maintain firm control in one's hands over the kolkhozes and sovkhozes and to retain the firm right to have their production and resources planned from above — these aims of a staff and not the true interests for further development still form the foundation for today's administrative practice.

A chief and pivotal point with regard to independence is that of planning. At each level, a plan must be developed by that party who is economically responsible for its fulfillment.

Hence, at the national economic level, a plan is composed as a system of strict material and cost balances by USSR Gosplan and Gosagroprom [State Agro-industrial Committee]. At the polar level, plans are developed by the kolkhozes, sovkhozes and other APK [agro-industrial committee] organizations.

The economic criterion for a plan for the production and sale of products is determined by two circumstances: the effective consumer demand for products on the one hand and the availability and possibility of procuring resources on the other. Thus the basis for a plan and at the same time the instrument for carrying it out appears to be a system of direct economic agreements with the purchaser of the products (customers) and with those who sell the resources (suppliers). The plan for economic organization is developed based upon the total amount of agreements. This represents one of the requirements of the present economic reform.

The economic agreement becomes the basis for the plan. But its function can be carried out only when it embodies a guarantee for the strict observance of certain conditions. Thus an agreement must provide for the issuing of sanctions for violations of the conditions. The overall principle is as follows: fine sanctions for having violated the conditions of an agreement are collected from the guilty party in favor of the victim, in amounts which will cover the losses including lost profits. Historical experience reveals that under any other variant fine sanctions appear to be generally ineffective.

And there is still one other mandatory element of an agreement: it must contain a clear statement to the effect that in the case of losses that occur in connection with deliveries, the responsibility for such losses is borne by the party which owns the products at the given moment. The total amount of agreements constitutes the plan for economic organization and the total number of plans for the basis for a unified national economic plan.

There appears to be one extremely complicated question: is it not true that in the case of free planning all of the economic leaders rush to produce only that which is profitable for them to do so, while the country remains without potatoes? This question is most alarming to our modern officials. I could cite many figures indicating how the reproduction today of some products and chronic shortages in other products have become a disease that can no longer be endured. We recommend the development of a plan that is based upon the order of purchasers. But who will willingly purchase, for example, winter-killed wheat for feeding to livestock? The orientation of a producer towards the purchasers represents the only true means for curing chronic disproportions.

In order to regulate proportions at the national economic level, the state retains the right to create and employ economic production regulators — prices, rates, bank interest norms, tax rates. An economic executive, when planning production, orients himself towards the controlled market parameters. Taken as a whole, they constitute the economic conditions for management. The state, by creating more advantageous conditions for the sale of some products, can stimulate an increase in their

production. And conversely. Such planned regulation is certainly more difficult than the coercion of an economic executive based upon a command. But it is more effective.

The second input for independence in terms of importance — the price system, or more exactly, the price formation system.

Everyone recalls from his youth the well known statement: price is a reflection of ONZT [obshchestvenno neobkhodimyye zatraty truda; socially necessary labor expenditures]. And who has reflected seriously on what is concealed within this formula? Goskomtsen (State Committee for Prices)? Gosplan? If the answer is yes, then why did these institutes establish a purchase price of 34 kopecks for a kilogram of potatoes and sell it for a retail price of 10 kopecks? Or still another example: why do the procurement specialists in Stavropol pay 150 rubles per ton for good durum wheat and 257 for poor Uzbek wheat? And why is it necessary to pay 65 rubles for a ton of sugar beets in regions where its cultivation costs only 58 rubles, when there are large regions throughout the country in which the expenses for sugar beet production do not exceed 33-34 rubles? Where is the social need here? Either the expression with which we began our discussion is incorrect, even if it belongs to K. Marx, or our price formation practice, while recognizing his words, functions in spite of them and also common sense.

For 60 years we have patiently and persistently strived to bring the planned price for goods closer to the ONZT level. Towards this end, each year we have expanded the front of the arithmetical tightrope-walking and we have increased the maximum possible number of personnel assigned to the price formation staff. In the process, we have also strengthened control and intensified centralism. And with each year the prices crept upwards inexorably and today they are simply jumping towards an increase and we no longer know where they are going — towards the ONZT, or conversely, further away from them.

Why? Because a purchaser, as one who expresses the interests of society, is not longer associated with the act of price formation. The right of social recognition of labor, embodied in a product, is awarded by a central institute — Goskomtsen, or more exactly by the personnel who comprise its staff. In their work with the producer of the goods, they are first of all interested in covering its expenses by means of the price and ensuring it the required degree of profit. The social requirement, expressed by the effective demand of the purchaser, is not taken into account. This is particularly true in view of the fact that quite often the means of payment for the purchasing or sale of equipment, raw materials and other materials is carried out directly or indirectly from the state budget and not from the pocket of the purchaser.

Unilateral price formation, mainly in favor of the producer of the goods, is monopolism pure and simple. And in those areas where monopolism exists, the consumer forfeits his rights as a purchaser. Monopolism inevitably leads to stagnation.

The prices must not be established but rather formed during the course of a trade transaction between those who produce and sell the goods and those who purchase it for productive or final consumption.

A purchaser and seller — these are the two active agents for a trade transaction with regard to goods and, it follows, for the prices of such goods. The establishment of prices is a prerogative of the seller, who expresses the interests of the social producer of the goods, and the purchaser, who represents the interest of society as the consumer of the goods.

Goskomtsen must establish not the prices but rather their upper and lower limits for strategically important priority goods and only the upper limit for goods for which there is a high business demand. And no limits are established for the principal bulk of goods, especially goods for which there is daily demand, the prices for which are formed only in connection with demand and supply.

Prices must not be manipulated in an unlimited manner. There is a strict limit beyond which a price ceases to function as a stimulus. In those areas where this limit exists, the price is helped by the entrance into the "game" of its reverse aspect — a firm tax, the interest rate level for bank credit and in the event of extreme need — special purpose recurring subsidies and other forms for the economic regulation of production by the state.

This means that in addition to reforming the price formation system, reforms must also be carried out in connection with the tax system, the banking system and the system for state economic protectionism.

#### State Order or State Command

There is still one other question that has surfaced unexpectedly on the raging sea of our economic life. Unexpectedly because the introduction of the state order system, which was proclaimed several months ago, aroused among our economic leaders at least a certain amount of hope if not outright rejoicing. They sighed in relief: "Finally!"

"But their joy did not last very long." The end of the 1987 fiscal year is approaching and a new year is close at hand. And once again the economic executives are receiving the same tasks from on high, with no change in the production structure and with the same vaguely formulated promises with regard to resources. But now this is no longer in the form of a plan, but rather under the sign of a goszakaz [state order]. By order of the

official staff, it is being converted successfully into a gosprikaz [state command]. There is the same dictate, the same regimentation and restriction on freedom of management and yet it is all under a new and comforting sign.

Meanwhile, the sense of a goszakaz lies in the fact that the state planning, procurement and supply organs appear before a producer of goods — be it crude oil, bark stripping, combines, dill, excavators or fur boots — as purchasers. In behalf of the state organ which gave them power of attorney for the wholesale purchasing of products, they conclude a voluntary and direct economic agreement for the production and delivery of specific products, in accordance with specific schedules and under specific conditions involving the use of strict material sanctions against guilty parties and in favor of the victims when the conditions are violated.

Economic gain and not forced non-economic pressure — these are the factors which must create an attractive force for goszakaz, as an instrument for regulating the production structure and volumes, output quality and the schedules for product deliveries. The desire to obtain a profitable state order will serve as the basis for an effective and not formally proclaimed economic competition between independent enterprises and firms engaged in the production of similar type products. Such competitions will be won by those organizations which, in striving to achieve economic profit, satisfy most fully the requirements of their customers in terms of the products they produce.

In conclusion I would like to state that economic independence in large measure commences with the return to our economic system of the capability for self-development and, on this basis, for self-regulation. And the only path to be followed for accomplishing this — maximum development and an expansion of commodity-money relationships and the restoration to an economic executive of the rights of a producer of goods and the return to a consumer of goods of the rights of a purchaser.

All of this has been proclaimed in the Law Governing a State Enterprise (association). Its statutes are of tremendous importance to kolkhozes, other cooperatives and the private plots. However, the law has still not succeeded in acquiring its full force, it is being overlooked at times and its terms are not always being taken into account. And in the absence of observance of this law, difficulties will be encountered in attempting to achieve independence and success.

7026

#### Stud Farm Director Complains of Self-Financing Difficulties

18240024 Moscow *PRAVDA* in Russian 9 Dec 87 p 4

[Article by I. Feduleyev, director of Konstantinovo State Stud Farm, Domodedovskiy Rayon, Moscow Oblast: "Cost Accounting: Questions Remain"]

[Text] Thus the time has come for "counting the chicks during the autumn" — summarizing the annual results. It was not a kind year for the farmers. About 20 years ago, they probably would have yielded to their adversities. But today the strength of the rural areas is such that neither the prolonged spring nor the inclement month of September succeeded in dislodging them, as the saying goes, from their saddle. The tremendous potential created in agroprom [agro-industrial committee] is ensuring stable production operations under all conditions.

It is obvious that this potential of itself does not guarantee prosperity. Everything is dependent upon the personnel who are entrusted with the resources and upon their ability to handle the public resources in an intelligent manner. Literally, each one of our workers is imbued with concern for the restructuring. Hence the results. We harvested an average of 47.8 quintals of grain. Almost 200 quintals of potatoes were obtained from each hectare. The milkmaids expect to realize an annual productivity of up to 5,220 kilograms of milk for their cows. The plan for the sale of pedigree cattle was fulfilled 2 months ahead of schedule. Adequate amounts of forage have been placed in storage — 27 quintals of feed units per standard head of cattle.

According to preliminary data, we will earn 2,600,000 rubles of profit this year. The profitability level will exceed 40 percent. The economists maintain that sufficient money is available for carrying out expanded reproduction using internal resources. It would appear that the conversion over to self-financing does not threaten us with complications. Nevertheless, we are still uneasy at heart.

Wherever we turn — to the All-Union Association for Stud Farms or to RAPO's [rayon agro-industrial associations] — nowhere are we able to obtain an intelligible answer as to how we are to convert over to the new conditions for management. What changes will take place in our interrelationships with financial organs or with the bank? What will the conditions be for issuing loans to kolkhozes and sovkhozes that have converted over to self-financing?

Similar to many other rural leaders, I am especially disturbed over the question of distribution of profits. I have already stated that we are earning sufficient money for developing the farm. But just as in the past, we do not see this money, despite the fact that this year, the sovkhozes, following payments into the budget and interest payments for bank loans, are entitled to distribute the profits themselves. However, the association of stud farms is planning withholdings from our profits for their centralized fund, with the amounts being higher even than those for last year. And this is almost 1 million rubles. For comparison: the funds for the economic stimulation of the farm were established in the amount of 503,000 rubles. This amount is less by a factor of two than the amount which the higher organization collects for itself.

The association's centralized fund is needed. What should be the norm for withholdings for this fund — this matter must be studied very thoroughly by the agroprom organs. A chief consideration is the fact that a considerable portion of the money earned by the collective remains at its disposal.

It is believed that self-financing, as a method for intensive management, is unthinkable in the absence of personal interest on the part of each worker. The stimulation of labor must be arranged in a manner such that all members of a collective strive to obtain a maximum amount of profit. Will this aid the existing system for the formation of economic incentive funds? Their amount is associated not with profit but with the wage fund. Thus, not more than 17 percent of the funds for wages is being allocated for material incentives. And the fund for socio-cultural measures may constitute only on half of the material incentive fund. This is in accordance with the instructions.

What is happening in actual practice? The amount of the wage fund is almost constant. Here the fluctuations over the course of several years is negligible as a rule. But the farm may realize a profit of 1 million rubles during one year and during another year — 2-3 million. In the process, it is authorized to expend the same amount of funds for material incentives and social development.

For us, the linking of the stimulation funds with wages has one minus factor. The farm has been employing the Shchokino method for many years. We are not increasing the wage fund. It turns out that we are punishing ourselves, although we are producing more output with a fewer number of workers. Despite an increase in profit, our material incentive fund is decreasing with each passing year.

In the Law Governing a State Enterprise, it is stated that a collective must handle its cost accounting income independently. We hope that this statute will be carried out in actual practice. The earning of money is just one half of the problem. Under the conditions imposed by self-financing, it must be used in a skilful and rational manner. Once the discussion turns to complete cost accounting, an enterprise must be presented with complete economic independence.

We are striving to instill in each worker a sense of being a true manager. The contract method and the check system of control, which have been mastered in all of the sectors, brigades and teams, have placed production operations on a truly cost accounting basis. The personnel themselves decide who will be in their collective, the number of administrative workers it will have and which types of equipment to use. The gospolemzavod [stud farm] recently sold 50 machines and units which turned out to be surplus items and included among them were excavators and harvesting machines. This is what is meant when we speak about the personnel counting their money.

There are practically no obstacles in the cost accounting for a brigade or team. But problems develop at the farm level. Thus we hear such phrases as: "it is forbidden," "it is not authorized," "the bank will not give its permission" and so forth. Not to mention the most painful subject —logistical supply. Is it really not obvious that self-financing is incompatible with the distribution of funds among funds? It is a departure from complete cost accounting if a leader, with money in hand, is unable to purchase something that is needed for a kolkhoz or sovkhoz. Some discussions are still taking place over wholesale trade. Is it possible to establish a system in which a farm converts over to self-financing and thereafter it is authorized to freely acquire resources?

I foresee an objection: it will be said that leading workers will seize the deficit for their own purposes, while average and weak workers will get nothing. This is an old song! With genuine cost accounting, it makes no sense to hold onto excess unnecessary equipment.

However, is it really possible to tolerate a system in which a farm leader who has two and a half million rubles worth of profit at his disposal is not authorized to purchase, for example, a kilogram of nails? Rural leaders have long been convinced that they must necessarily engage in some cunning in order to accomplish something that is useful for or needed by a kolkhoz or sovkhoz. Allow me to cite a simple example. A decision was made to purchase samovars for the recreation rooms on farms. But they are not sold on the basis of written orders and sovkhozes are forbidden to pay cash for purchases. An appeal had to be made to the chairman of a neighboring kolkhoz. The latter acquired the samovars and we subsequently paid for them through a transfer of funds. But the neighbors did not perform this service free of charge: they requested some resources in return.

A samovar, television set, comfortable furniture — such items are needed today on a farm. Comfort and the conditions needed for fruitful labor and proper recreation must be created for the personnel. Try to prove this to those who adhere to obsolete instructions. A great amount of effort was required on our part in order to install a barbershop and physical therapy clinic. The clinic is a case in point. The livestock breeders are very willingly taking advantage of its services. In the process, they probably do not suspect that we were unable to legalize the assignment of a nurse. It was not without some fear and risk that we included her in the sovkhoz's table of organization.

A great amount of resources — millions of rubles worth of fixed capital and large collectives — are entrusted to our leaders. But thereafter they are deprived of the opportunity of acting independently. Almost every day the director or specialists are summoned to the rayon headquarters to deliver reports or attend conferences. In short, just as in the past they are absorbed by administrative methods. The economic methods are being mastered only weakly. For example, normative planning has

still not been introduced into operations. Just as in the past, everything is based upon that which has already been achieved. Nor has the wage fund been placed upon a normative basis.

Why is it that the RAPO's and other administrative organs of the agroprom have become a part of the braking mechanism? Mainly because they do not wish to abandon the administrative levers. It is considerably easier to issue instructions and not bear responsibility for the results than it is to adjust the APK [agro-industrial complex] mechanism with the aid of economic regulators.

V.I. Lenin pointed to a bureaucrat as the worst internal enemy. At this point in time, bureaucracy is the chief enemy of restructuring. It does not look for changes and it hides behind revolutionary phrases. It speaks of expanding the rights of economic leaders, but the main emphasis is placed upon not yielding their positions. This probably results from the fact that they are aware that if complete independence is granted to rural leaders, there will be nothing left for them to do. It is my opinion that the tables of organization for agroprom organs are inflated. In our rayon, for example, six farms are subordinated directly to a RAPO. But approximately 30 specialists are assigned to desks in the association. The oblast agroprom numbers hundreds of individuals.

Ask any rural leader or specialist what he expects from the agroprom organs and the majority will reply: "that resources be available, that they no longer worry over trifles and that they cease interfering with operations."

Many economic levers — price, credit, profit — have still not been truly included in the work. With self-financing, it is difficult to count upon success in the absence of these most important regulators. It is my opinion that this represents the principal field of activity for the agroprom.

Are we living within our budget? The collective is prepared for self-financing and notes that it contains many stimuli for developing production and the social sphere. Indeed the words for "manager" (khozyain) and "cost accounting" (khozraschet) are derived from the same root.

7026

**Banking and Credit Changes in Agriculture**  
18240028 Moscow SOVETSKAYA ROSSIYA in  
Russian 26 Dec 87 p 1

[Interview with V. Arkhipov, 1st deputy chairman of USSR Agroprombank by Ye. Khokhlov; date and place not specified]

[Text] [Question] Viktor Rodionovich, only a few days remain prior to the conversion of all enterprises and organizations of RSFSR Gosagroprom [State Agro-industrial Committee] over to complete cost accounting.

And still many questions continue to arise, particularly with regard to unprofitable enterprises. Truly, what type of self-financing can a collective have if it is incapable of operating on a profitable basis? And indeed a considerable number of enterprises of the processing industry of the APK [agro-industrial complex] are in just such a state at the present time.

[Answer] For the sake of accuracy, it should be stated that in accordance with data for 1 July one out of every five enterprises is in this state. In all, there are 540 unprofitable enterprises in the Russian Federation. Last year, the total amount of losses for the industrial branches of RSFSR Gosagroprom amounted to 176 million rubles and for the first 6 months of this current year — 124 million.

Recently the financial affairs of these enterprises have declined even more, despite the fact that they are constantly receiving assistance and loans. But the bank credit is not being used for expanding production but rather mainly for smoothing out problems. These enterprises are accustomed to living in debt and only weakly try to change matters. Let us take the Dyakonovskiy Canning Plant in Kursk Oblast, the Proletarskiy Creamery, the Milyutinskiy Butter and Cheese Plant in Rostov Oblast and the Ulyanovsk Beer and Non-alcoholic Beverage Combine. At each one of these, there is an entire "bouquet" of shortcomings: contractual obligations are being violated and tremendous losses are being tolerated, including in internal working capital. Were it not for bank credit, no money would be available for paying the workers their wages.

Such is the grave financial situation in which the low profitability find themselves — there are approximately 2,000 of them within the RSFSR Gosagroprom. These enterprises are unable to exist in the absence of constant support in the form of credit. All of this imposes a heavy burden upon the economy of the agro-industrial complex.

Certainly, there are many different circumstances. At times the processing enterprises sustain losses owing to the obvious reason that there is nothing to process — there are no raw materials available. If some kolkhozes and sovkhozes, over an extended period of time, are unable to fulfill their plans for the sale of meat, milk, sugar beets and seed, this necessarily will adversely affect the economies of the industrial enterprises of the APK. We are aware that these branches have fallen seriously behind from a technical standpoint. Up until now, the replacement of fixed productive capital has not exceeded 2 percent annually. However, an analysis of the causes of unprofitability and low profitability allows us to study the situation from another standpoint. Large supplies of finished products have accumulated at the warehouses, supplies for which there is no demand by the population. The losses caused by a reduction in quality are considerable. A portion of the food goods spoils as a result of poor storage and still another portion is lost through

theft. Last year the shortages and losses through theft amounted to 550 million rubles, with fines and forfeits being paid out in excess of 425 million rubles. This is by no means a complete list of the reasons for the unprofitable management, reasons which lie heavily upon the conscience of the collectives themselves.

Complete cost accounting and self-financing will create a stern and perhaps even a very severe regime. But they will accomplish that which we were unable to accomplish by means of subsidies, unjustified loans and various types of financial injections — they are confronting the collectives with the need for operating in the absence of losses. This has given rise to the possibility of a radical change in economic conditions.

[Question] But will not a closed circle be formed? An enterprise upon commencing operations under the new conditions will be almost bankrupt and will have less hope of improving its situation than is now the case. Moreover, if such enterprises, as you maintain, reach the figure of 20 percent, then a serious problem will develop not only for the economy of the APK. Soon the machine builders will commence increasing their production of equipment and the volumes of capital construction will increase and yet the purchaser — the processing industry — will suddenly prove to be insolvent.

[Answer] In order to normalize the financial status of the processing branches, we are of the opinion that an whole series of measures must be carried out in the near future. At the present time, 2,700 (or 64 percent) of the associations and enterprises of RSFSR Gosagroprom are tolerating shortages in their internal working capital. The reasons for these shortages must be analyzed and they must be made up by means of free sources, by reducing the expenditures called for in the financial plans and also by utilizing resources from the centralized funds and the reserves of USSR Gosagroprom and the ministries. This must be accomplished prior to the end of the year. The Law Governing a State Enterprise, which is now being placed in operation, makes no provision for centralized distributions of funds.

A considerable portion of the working capital is immobilized in above- normative supplies of raw materials, other materials and finished products. An inventory should be carried out and they should be placed in circulation or sold to other enterprises and organizations, including cooperatives. Approximately 1 billion rubles worth of working capital has been diverted by the processing industry of the RSFSR for expenditures of a capital nature and for other unplanned purposes. Measures must be undertaken aimed at placing this money back in economic circulation. The bank also plans to carry out an inter-branch examination of the mutual indebtedness of enterprises and organizations, while bearing in mind the enterprises of the processing industry of the agro-industrial complex.

All of the above, in combination with measures aimed at normalizing and strengthening the economies of low-profitability and unprofitable enterprises and organizations, developed by USSR Gosagroprom, will make it possible to improve considerably the financial status of branches of the processing industry.

[Question] As is known, Agroprombank will operate on a cost accounting basis. The kolkhozes and enterprises must view it not as a distributor, registrar or controller of state money, but rather as a business-like, enterprising and economically wise intermediary. What then is the essence of bank cost accounting and what influence can it exert on the economic activity and economy of the agro-industrial complex?

[Answer] The principle of cost accounting in bank work is the same as in any other activity: to exist and to develop based upon one's own activities and to have available for this purpose a constantly increasing source of profit. We must take a definite percentage of resources from Gosbank, place this money in circulation and obtain income from its use.

Understandably, with such a system we cannot remain indifferent as to whether a collective manages its activities in a profitable or unprofitable manner or to the purposes for which it utilizes bank loans. We must be confident with regard to the effectiveness of the measures planned, otherwise credit will not be extended. The production workers will defend their own plans and the bank will hand down decisions, particularly on a competitive basis, with a preference being shown for measures considered to be most effective for and required by the state.

The bank is especially interested in developing close credit relationships with new integrated associations of the agrokombinat [agro-industrial combine] type, associations and agrofirms [agro-industrial firms] — Kuban in Krasnodar Kray, Moskva, Ramenskiy and Kashirskiy in Moscow Oblast, Novomoskovskiy in Tula Oblast and others. Their creation is definitely aimed at improving the economies of low profitability and unprofitable farms, promoting the financial normalization of the branches and improving payment discipline. At the present time, the overall amount of loans extended to integrated production operations already exceeds 800 million rubles and will increase. However, thought must be given at this point to the use of new approaches.

One such approach could be that of using the capital of Agroprombank for creating new or expanding existing processing enterprises, with subsequent distribution of the profit proportional to the funds invested.

Recently, approaches have appeared in connection with a new form for extending credits — a system of "internal" credit. It still has not been finalized. From a logical standpoint, a farm or enterprise that invests its own resources is justified in expecting to receive back not

only a percentage but also a portion of the profit obtained. It must consider itself to be a full and equal participant in the implementation of the Food Program.

[Question] Does this represent a new level of relationships — something on the order of the share-holder form?

[Answer] This form could play a connecting role between branches of the agro-industrial complex and accelerate the integration process. I believe that we will still come around to the use of this form. At the present time, we are recommending, by way of an experiment, that agreements of this type be concluded with agro-industrial associations in Belorussia, the Moscow region and in Ryazan Oblast. The bank will have its own fund, which it will use for participating in the capital of the associations. For example, we will present a particular agrofirm or industrial enterprise with 20 million rubles and we will stipulate: 18 million to be returned to us after a definite period of time and 2 million to remain in circulation where it will produce profit for the bank by means of commercial channels.

[Question] Based upon what you have said Viktor Rodionovich, the requirements being imposed upon a bank worker are apparent. He must now possess a good knowledge of production operations and also be a good business man as far as the economics of the problem are concerned. The Agroprombank was created only recently and thus in all probability it is too early to make a judgment concerning its personnel structure. And nevertheless: what specialists do you have working for you and where did they come from?

[Answer] There have been almost no changes in the personnel structure. The appropriate administrations and departments of Gosbank, with its staff and personnel, have been transferred over to Agroprombank. The workers remained just as they were in the past. The tasks changed. And here is one alarming fact. Our rayon element has more than 3,000 departments, of which number, following a division with the Gosbank system, almost one half turn out to be extremely lacking in personnel, about 2-3 economists per department and in some instances only one. Yes, a requirement still exists for singling out on a mandatory basis an authorized representative for controlling monetary circulation. And we were quite often forced to reduce the staff unit in the economic service to just one. That is, we intentionally weaken the economic function of Agroprombank in advance. And this occurs at a time when it should be increased! A decision must be handed down and on an immediate basis.

[Question] USSR Agroprombank is tasked with the financing of capital investments in the APK. Has a capital construction plan for 1988 been formulated and where for the most part with the funds be employed?

[Answer] In preparing the capital construction plan for the agro-industrial complex, special attention was given to the development of the processing branches. Priority attention is now being given to everything associated with developing the logistical base for the processing, storage and transporting of raw materials and food products. In 1988, the plans call for more than 40 percent of the capital investments to be employed for the technical re-equipping and modernization of existing enterprises — twice as much as the figure for 1987. Plans call for the placing in operation of 35 important installations of the food and meat and dairy industry. In particular, the plans call for the construction of confectionery factories in Barnaul and Perm, two meat combines in the Mordovian ASSR, a large dairy combine in Moscow, a gormolzavod in Sochi and others.

However, it should be mentioned that a number of installations are being erected in excess of the normative schedules. For example, the plans called for a cheese plant to be built in the settlement of Tselina in Rostov Oblast during the 1980-1982 period, based upon the use of imported equipment. Rosagropromstroy is promising to complete the work next year, but the work is nevertheless proceeding at a very slow pace. The rates for the redesigning of enterprises of the alcohol, liqueur-vodka and wine-making industry are low — here use has been made of only slightly more than one half of the resources allocated. Unfortunately, many such examples can be cited. And here we must impose a strict demand upon all those participants in construction who have "overlooked" the priority importance being attached at the present time to the branches of the agrokopleks [agro-industrial complex].

7026

## LIVESTOCK AND FEED PROCUREMENT

**Sub-Section Chief Discusses Increase in Private Livestock Production**  
18240025 Moscow SELSKAYA ZHIZN in Russian  
17 Dec 87 p 2

[Interview with V.M. Kozhevnikov, chief of the Sub-Section for Scientific Animal Husbandry Systems and the Production of Animal Husbandry Products of Gosagroprom [State Agro-industrial Committee], by M. Glinka, editor of the newspaper for the Department of Animal Husbandry and Feed Production]

[Text] The Editorial Board of Selskaya Zhizn turned to USSR Gosagroprom with a series of questions on the development of private plots (LPKH'S) of the population. The newspaper's questions were answered by V.M. Kozhevnikov, chief of the Sub-Section for Scientific Animal Husbandry Systems and the Production of Animal Husbandry Products.

[Question] Vyacheslav Mikhaylovich, some of our readers have written in and stated that only the private plots are capable of radically changing the situation at meat and dairy counters, while the kolkhoz and sovkhoz farms are still incapable of increasing sharply the production of goods. Is this true?

[Answer] Certainly not, for it is precisely the kolkhozes and sovkhozes that are providing the principal increase in the production of farm products. Compared to the level for the 11th Five-Year Plan, the average annual production of meat over the past 2 years increased by 1.9 million tons or by 12 percent, milk — by 8.5 million tons or 9 percent and eggs — by 7.2 billion units or 10 percent. Nevertheless, shortages in animal husbandry products, particularly meat, are being experienced in a number of areas. There is one solution for this problem: each republic and oblast must convert over to self-supporting operations as rapidly as possible. And this requires the utilization of all of the opportunities available for increasing meat and milk production, including on the private plots of the population.

[Question] How great are the unused resources for increasing meat and milk production on the private plots?

[Answer] At the present time, approximately 36 million families are operating private plots in rural areas. They are producing 28 percent of all of the milk and eggs, 27 percent of the meat and 26 percent of the wool. But they are capable of producing considerably more. Indeed, one out of every three of these families does not have any farmyard animals, one half have no cattle and two thirds do not have any hogs. These rural residents obtain their animal husbandry products from state and cooperative resources. According to data obtained from a budgetary inspection carried out by USSR Goskomstat [State Committee for Statistics], the average kolkhoz family procured 31 kilograms of meat at stores last year, or one and a half times more than 5 years ago. Meanwhile, rural residents in Armenia, Azerbaijan, Uzbekistan, Ryazan, Kalinin, Tula, Vladimir, Yaroslavl, Tomsk, Irkutsk, Tambov and a number of other oblasts in the RSFSR are obtaining even more products from state trade organizations and consumer cooperatives.

Let us take Pskov Oblast as an example. Over the past 6 years, meat sales in the public sector here increased by 10,200 tons and milk by 15,500 tons. At the same time, these figures declined by 9,400 and 17,100 tons respectively for the private plots of the population. It is for this same reason that the meat resources in Novgorod, Perm, Smolensk and some other oblasts are increasing only slowly. An economic misalignment is taking place. The kolkhozes and sovkhozes are fulfilling their plans and producing greater quantities of goods, while production on the rural private plots is declining.

[Question] Specifically, what has already been done in the interest of correcting this misalignment?

[Answer] Well first of all it should be stated that a new system has been introduced throughout the country for the formation of food funds. I have in mind the firm plans for centralized deliveries to the union and republic funds. It is now easier for local organs to organize the supplying of meat and dairy products for residents in their areas. Indeed, a considerable portion of these products remains in the area. The interests of the kolkhozes, sovkhozes and population are now considerably more closely aligned than earlier was the case. The products procured for consumer cooperation by kolkhozes and sovkhozes from the population residing in their areas are credited towards fulfillment of the sales plan. And that which is purchased beyond the limits of the kolkhozes and sovkhozes is credited towards the procurement plan for the rayon, oblast, kray or republic.

Many of the restrictions associated with land utilization and the number of livestock and poultry on the private plots have been eliminated. Certainly, it will be necessary in the process to take into account the contribution being made by a particular worker in behalf of public production. The recommendation has been made to grant kolkhoz members, sovkhoz workers and other citizens who have decided to raise livestock and poultry additional tracts of land, for an extended period of time, for the purpose of cultivating forage crops on the basis of agreements concluded with farms and consumer cooperative organizations. Measures are being undertaken to ensure that the private plots are supplied with mixed feed and that more credit is extended to them for the purpose of acquiring cows and heifers, building private homes and farm buildings and procuring light mechanized equipment. The overall length of service by women who have young children, and because of this are unable to participate in public production, includes the time spent by them for raising livestock and poultry and cultivating agricultural crops in accordance with agreements concluded with farms and consumer cooperation.

[Question] In actual practice, what use is being made of these opportunities?

[Answer] Although this is a brief question, the answer to it is by no means a simple one. It can generally be stated that these opportunities are being employed differently in the various areas. In Belorussia, Lithuania, Omsk, Belgorod, Kuybyshev, Poltava, Cherkassy and a whole series of other oblasts, the residents of cities and oblasts have already achieved noticeable results in carrying out self-supporting operations in the form of the principal food products. For example, let us take Omsk Oblast. Over the past 10 years, meat production has doubled, with 109 kilograms being produced here for each resident. And the residents of Omsk Oblast are obtaining a large portion of this amount from their private plots.

The work being carried out with rural private plots in Grodno Oblast is well organized. Here they long ago ceased dividing up animal husbandry operations into private and public sectors. As a result, there is always an

adequate assortment of dairy and meat products available in the rural and city stores. Throughout the oblast, 115 kilograms of meat are being procured per private plot of the population and from each cow — approximately 1.4 tons of milk.

Unfortunately, many other examples can also be cited. The number of hogs on private plots in Krasnodar Kray and in Kirovograd and Odessa oblasts is declining. In Azerbaijan, the subsidy for meat from state resources has increased by 14 percent over the past 3 years, while that for families which maintain livestock continues to decline. And it is by no means an accident that irregularities are being observed in the production of meat and dairy products in many regions of the republic and that the market prices for them are very high.

It is a known fact that meat can be produced more rapidly on a private plot when emphasis placed upon the raising of hogs and poultry. Yet more than one half of the families residing in rural areas in Moldavia and Estonia and in Ryazan, Voronezh, Tambov, Kalinin, Vladimir, Ivanovo and Yaroslavl oblasts are not raising either hogs or poultry.

In some areas, it is simply impossible for a rural resident to purchase young pigs. Last year the kolkhozes and sovkhozes in Moldavia sold to the population approximately 50 young pigs per 100 rural private plots and in the Trans-Caucasus — less than 10 young pigs. Many kolkhozes and sovkhozes generally lack hog raising farms where it would be possible to obtain young stock for sale to the population. In Georgia, 34 percent of the farms are oriented in this direction, in Armenia 66 and in Pskov Oblast — 48. This year the farms in Moldavia and in Bryansk, Belgorod and Voronezh oblasts lowered their sales of young pigs. They are willingly purchased in the early spring so that they can be fed cheap feed during the summer. This fact is often overlooked in some areas. For example, in the Ukraine, Belorussia, the Baltic republics and in a number of oblasts in the RSFSR, less than 40 percent of the young pigs sold during the year are sold during the period beginning in March and ending in May and in Azerbaijan and Armenia — 26-27 percent. Thus it is by no means an accident that the cost for one young pig amounts to 80 or more rubles at many markets during the spring.

[Question] All of this is past history. But what measures must now be undertaken to ensure that this sad picture is not repeated during the future and not too distant spring?

[Answer] The leaders and specialists attached to agro-industrial committees and associations must immediately undertake effective measures aimed at fully satisfying the population's requirements for young pigs and young poultry stock. The required number of additional replacement hogs must be selected and impregnated in December and January and, where necessary, reproduction hog raising farms must be organized.

Special importance is attached to supplying the farms and citizens with young geese, ducks and turkeys and also with meat strains of chicks. And this will require an immediate increase, to the required level, in the parental flocks of meat poultry at specialized poultry-raising farms, kolkhozes, sovkhozes and at incubator poultry-raising stations.

The time is already at hand for devoting some thought to the feed required for private plot animal husbandry operations and to the setting aside of pasture and haying lands.

7026

## HOUSING, PERSONAL SERVICES

### Trade Official Evaluates Restructuring in Service Sector

18270019 Moscow *PRAVDA* in Russian 5 Dec 87 p 2

[Article by N. Stashenkov, chief, CPSU Central Committee Trade and Domestic Services Department: "Meeting Human Needs: Restructuring in the Service Field: Directions and Problems"]

[Text] To a large extent, people judge the progress being made in restructuring by how their lives are changing and how the most essential social problems are being solved. One such criterion visible to everyone is the situation in the service field, which encompasses people's everyday life, rest, and recreation.

Throughout the country as a whole since the beginning of the five-year plan the growth rate in the volume of paid services to the population has doubled, and the list of them has expanded. Moreover, the greatest successes have been achieved in places where problems of developing services are solved in a comprehensive and large-scale manner. That is precisely how the party and soviet organs of Belorussia, Latvia, Estonia, Stavropol Kray, and the Tatar ASSR operate. Their practical assistance to sectors in this field, skilled placement of personnel, plus involving all enterprises and organizations, regardless of their type, in rendering services—that is what yields good results.

But this is only a beginning. As was the case previously, the population's demand for services falls far short of being satisfied. In connection with the new tasks set forth by the June (1987) CPSU Central Committee Plenum, we must sharply (double or triple) accelerate development of the paid-services field and ensure their annual growth by 15-20 percent more than specified by the assignments of the Comprehensive Program on Goods and Services. Already during the current five-year plan we must completely eliminate the abnormal situation whereby in several localities because of the passivity, and at times even the irresponsible attitude on the part of certain leading officials, repairing apartments and household appliances, mending clothes and shoes, delivering goods, setting up garden plots, and many other everyday human concerns have resulted in problems which are difficult to solve.

There are genuine possibilities for doing this. But all levels—party, trade-union, and Komsomol committees, soviet and economic-management organs—must refuse to be satisfied with small-scale results, comparing them merely to those previously achieved, but rather keying on and meeting human needs, really tackling the business at hand, ensuring, above all, a targeted search and bringing together into operation all existing reserves for increasing the volumes of services. And these reserves, as analysis has shown, are quite considerable.

Can we really consider it normal, for example, that within the system of the republic-level ministries of consumer services and housing the municipal services the work shifts of enterprises rendering everyday services scarcely exceeds one? In most of the republics the capacities for repairing and making knitted-wear items are underloaded by 20-30 percent. Laundry and dry-cleaning facilities are utilized by only practically 50 percent of their capacities. Likewise poorly carried out are the possibilities for improving the finishing and outfitting of apartments in accordance with the people's requests, as well as developing services for setting up individual vegetable-storage facilities when redesigning the housing stock.

Working people are also justified in complaining about the poor operation of motor-vehicle service enterprises. At the very same time 60 percent of the technical-service stations work only one shift. Motor-vehicle services have not been organized as they should be at cooperative garages, motor pools, or on roads.

There have not yet been any serious changes at transportation enterprises. During the current year approximately 700 routes of the river fleet have been eliminated. More than 30,000 buses no longer go out on the daily routes. In the Ukraine alone some 1.2 million routes have been cut out because of this. Idle times of passenger taxicabs have not been reduced. As before, the pre-ordering and sale of airplane and train tickets, as well as their home delivery, is not being vigorously developed. There is an acute shortage of baggage-storage space at airports and railroad stations.

Bearing in mind the population's great demand for services connected with satisfying man's cultural needs, strengthening his health, and intelligent use of his free time, most places have been extremely slow in swinging around to work on organizing, based at existing palaces and houses of culture, universities and lecture course dealing with the problems of culture and art, the family and marriage, legal knowledge; networks of courses and groups engaged in needlework or studying foreign languages are expanding too slowly. Nor have any substantial changes been noted in parks of culture and rest, in whose income the proportion of services for the population does not exceed 60 percent. Only one out of every ten stadiums, swimming pools, or gymsnasiums has organized paid health groups or sports sections. More than half of the camping facilities are used only three or four months a year.

We could go on listing reserves for increasing the volumes of services. But one thing is clear: the times demand that party and soviet staff members and economic managers decisively refrain from the stereotypes which have evolved in evaluating the forms and methods of organizing services for the population. What is needed is a creative quest for new paths, major restructuring work both at the center as well as in the localities.

### 33 CONSUMER GOODS, DOMESTIC TRADE

Soviets of People's Deputies are called upon to play an important role in this matter; they have been entrusted with full responsibility for satisfying the population's needs for services. However, many of them cannot in any way free themselves from the bondage of traditional approaches; they do not utilize the rights and broad possibilities which have been granted to them. For a long time, for example, there has been talk concerning the need to involve in the rendering of services enterprises and organizations for which this work is not the principal activity. Up to the present time, however, one out of every six industrial enterprises has not engaged in rendering services to its own workers and office employees. In this connection, one could hardly consider contemporary and in accordance with the requirements of restructuring the viewpoint of an economic manager who moves the satisfaction of people's needs to the background and who, under any pretext, turns away from these concerns. It is perfectly obvious that such a situation is no longer tolerable. In the opinion of specialists, it will already be possible during the next two years to bring the volume of services at "untypical" enterprises, as a minimum, to 5-10 percent of their wage funds. The deciding word here belongs specifically to the organs of Soviet power in the localities.

But why is it that the agroprom enterprises, primarily kolkhozes and sovkhozes, often stand on the sidelines when problems are to be solved? Rural inhabitants these days receive only about half the services obtained by city-dwellers. In each rural populated point nobody hinders the farms from helping people to repair housing, plow the farmstead plots, saw wood, or haul goods. All that it requires is for the management official to pay attention to and recognize the importance of these concerns, which were formerly considered to be of secondary importance.

It is likewise important to carry out work as actively as possible with regard to involving contractual construction organizations in fulfilling the requests of citizens for the repair and construction of housing or the erection of structures for gardening associations and garages. The problem of satisfying the population's needs for repair-and-construction services must be solved by as early as next year.

As experience has shown, the further development of paid services has been greatly hindered by departmental roadblocks. Take transport, for example. Within the RSFSR alone various organizations administer twice as many buses as the republic's Ministry of Motor Transport has at its disposal. But these buses haul only 1/15 the number of passengers. Evident here are the traits of backward thinking and often even overt or covert resistance on the part of economic managers, something which is still hard to overcome, in particular, because of the local soviets' obvious passivity. This same thing could be said about the organization of sports, camping and touring, sanatorium and health-resort services. Departmental organizations of this type, which are

located in health-resort centers having good treatment centers hardly use them at all for medical services and restoring health to the people who come there for rest without travel authorizations. Beginning in 1988, we must involve—based on cost-accounting principles—departmental enterprises, organizations, and facilities in this field, above all, sanatoriums, rest homes, boarding-houses, tourist centers, and stadiums, for rendering paid services to the population. We must organize at all the country's health-resort and tourist zones comprehensive services for citizens who come there for rest and recreation without travel authorizations; these services should include providing them with housing, food, transportation tickets, and cultural-excursion measures.

Organization of services to the population likewise provides for suitable regulations governing the operation of enterprises in this field. At a certain time these regulations were changed, taking into account the citizens' desires. But here and there people have arbitrarily returned to the old way of doing things. According to data of the USSR Goskomizdat [State Committee for Statistics], as compared to 1985, the number of everyday-service reception centers operating on a 1.5- or 2-shift schedule has been reduced by 1/3, while in the Georgian, Armenian, and Turkmen SSR's almost all the reception centers have again gone back to a 1-shift work schedule. Such a phenomenon contradicts the course of restructuring, and we cannot understand why local soviets and the leading officials of economic-management organs put up with this.

Accelerated development in the service field is impossible without increasing the extent of its technical equipment. Of course, this is primarily a concern for the machine-building ministries which produce the equipment for such sectors. But quite a bit can also be done in the localities, above all, by involving industry in the manufacture of non-standard equipment and the means of mechanization, as well as monitoring-and-measuring instruments and tools. Economic agreements providing reimbursement to the industrial enterprises for the expenditures incurred should serve as a reliable, businesslike basis for this material aid. There has been experience with such cooperation in Saratov, Sverdlovsk, Omsk, and several other oblasts. Party and soviet organs have many possibilities to facilitate its widespread dissemination.

But can we really tolerate the fact that capital investments being allocated for building facilities in the service field have not been assimilated for many years now, including the current year? The construction of consumer-service enterprises, sanatorium-health-resort institutions, and hotels is proceeding very unsatisfactorily. For example, the putting into operation of a dry-cleaning plant in Nalchik, a plant for repairing household appliances, radios, and television sets in Novokuznetsk, and a factory for repairing and stitching shoes in Irkutsk is threatened with disruption. Within the system of the

## 34 CONSUMER GOODS, DOMESTIC TRADE

Central Trade-Union Council for Health-Resort Administration the normative construction deadlines have been exceeded 3 or 4 times over at 11 unfinished projects. Hotels in Dombay, Prielbrus, Sochi, Kazan, and Vladimir have been under construction for many years, and no end to this is yet in sight.

The most important direction in restructuring the service field is its conversion to full cost accounting and self-financing. As a result, groups engaged in providing services to people will discover economic motivation in satisfying the population's needs as fully as possible. And for the "untypical" enterprises the receipts obtained from this work could serve as an additional source of their cost-accounting income.

Beginning on 1 January, a considerable number of consumer-service enterprises will convert to full cost accounting. The fundamental principles for carrying out this work have been determined. Many of them could also be useful for other sectors of the service field. In particular, contractual and agreement forms of labor organization and wages have proven their effectiveness in providing services to the population.

The new economic mechanism must likewise influence in a most active manner improvement in the quality and facilitate raising the cultural standards of service. It is precisely by economic methods that we must avoid a situation whereby consumer-services enterprises, called upon to create conveniences for humans, all too often relegate to them the role of supplicants and compel them to lose a great deal of time, frequently working time.

Of considerable importance in restructuring the service field is the organization of cooperatives. As shown by experience in the Ukraine, Lithuania, Krasnodar Kray, and several other places where such cooperatives have firmly gained the rights to citizenship, they have coped effectively with rendering those services which enjoy increased demand. Nevertheless, local soviet ispolkoms sometimes regard cooperatives as a burden; not all of them yet understand that the cooperative movement is a form of economic management which is in accordance with socialist principles. Artificial difficulties are frequently created in allocating and repairing spaces for cooperatives, obtaining the necessary equipment and materials, and granting loans. Because of this, as well as for other reasons, a significant portion of even the preregistered consumer-service cooperatives are not functioning. Similar facts are most characteristic of Uzbekistan, Volgograd, Rostov, and Yaroslav Oblasts. And in Moscow and the Estonian SSR an incorrect

tendency has been noted whereby certain cooperatives, instead of carrying out the requests of the population, engage in rendering services to enterprises and organizations.

It is perfectly obvious that there ought to be more cooperatives in the service field. It is a matter for targeted organizational work by local organs, which must not allow twists and turns nor groundless delays on citizens' initiatives.

Economic-management personnel have an enormous responsibility for restructuring in the service field. This, in turn, requires that party committees significantly step up influence on their recruitment, placement, and training, along with creating a reliable reserve. However, instances have not been eradicated whereby people have been appointed to leadership positions in the service field who have failed some where else, while, at the same time, young specialists who have given a good account of themselves have been passed over.

Personnel turnover in the mass occupations remains a serious problem. Every year, for example, one out of every five young workers leaves the RSFSR consumer-service enterprises. In order to cut short this tendency, we must enhance the prestige of occupations in the service field, better organize the recruitment of young persons for the sectorial vocational-technical schools, educational-production combines, show genuine concern for retaining young fellows and girls in the service fields, as well as for improving employees' social and day-to-day conditions.

Likewise of great importance in personnel work is strengthening democratic principles in the activities of enterprises engaged in providing services to the population, along with widespread use of electing managers, reinforcing glasnost and monitoring controls on their work "from below." At the same time we must see to it that the deciding voice in labor collectives is not that of idlers and self-seekers but that of skilled workers who are striving to speed up restructuring by deeds rather than just words. The sense of urgency among primary party organizations in the service field is particularly important here. What we are talking about primarily is that, by strengthening them, especially in the smaller collectives, we ensure the vanguard role and high activism of the communists, effective party influence, assertion of a healthy moral climate, and of intolerance of anyone who by their actions would lower the service field's prestige.

The ultimate purpose of all these efforts boils down to one thing—to improve the Soviet people's living conditions and to help the fuller influence of the human factor on accelerating the country's socioeconomic development.

## FUELS

### Oil Output Figures Cited

18220013a Baku VYSHKA in Russian 8 Sep 87 p 3

[Unattributed article: "Moving Slowly on Restructuring"]

[Text] The collective of the Kaspmorneftegazprom [Caspian Sea Oil and Gas Industry] VPO [All-Union Production Association], having considerably overfulfilled the August oil-production target, covered the debt of Azneft [State Association of the Azerbaijan Petroleum Industry] and brought the republic up to overall plan fulfillment. Compared to last year, deliveries of oil and condensate from the sea shelf increased by 250,000 tons over the eight months. Having taken on intensive obligations in honor of the 70th anniversary of Great October, the oil workers of the sea are marshaling their forces and reserves for the successful incarnation of those obligations.

The early fulfillment of the plan for two years of the five-year plan was reported on Aug 10 by the collective of the Bulla-More NGDU [Oil- and Gas-Production Administration] imeni 50th Anniversary of the USSR. These leaders of the anniversary competition will produce an additional several thousand tons of oil and condensate before the end of the year.

The collective of the NGDU imeni Serebrovskiy is operating in stable fashion with a daily surplus of up to 240,000 tons of oil.

The Production Association imeni 22nd CPSU Congress produced a nice surplus in August—25,500 tons—but the arrears permitted at the beginning of the year due to a pipeline accident has yet to be eliminated. And there is little time left. The renowned collective of Krasnye Kamni cannot make the 70th anniversary of October, and has not done its duty toward the country.

A difficult situation has taken shape in the Azneft Association. Its debt is snowballing. The August shortfall was 14,000 tons, and it is 81,000 tons since the start of the year. Three administrations—the imeni 26 Baku Commissars, Kirovneft and Salyanyneft—are barely coping with the plan. There can be no discussion of stable and moderated work for them. The sea field of the NGDU imeni 26 Baku Commissars has gone completely out of service and has not been repaired for decades. Over 100 wells have been taken out of service that could be working actively on the plan. The management of the Kaspmorneftegazprom VPO promised to help repair this small maritime zone, but this promise is still quite far from being made concrete.

The greatest debt—41,000 tons—belongs to the Shirvannеft NGDU. And although the Mishovdag Field is operating at a surplus and there are improvements at Kalamaddin and Kyurovdag, the state of affairs at the

new fields of the former Muradkhanlyneft NGDU, which is clearly reeling after becoming part of the Shirvannеft NGDU, evokes serious alarm. The oil workers eagerly await the start-up of every well in West Azerbaijan. It seemed that they would come true more than once this year. A gusher with a daily oil yield of 100 tons was obtained in July, for instance, from well 23 in the Dzhafarli area. The joy was short-lived, however. The well was inundated within half a month. The daily shortfall for it alone is now 60 tons a day. This is a typical instance. Practically the same thing happened with earlier high-yield wells. The AzNIPIneft [Azerbaijan State Scientific Research and Planning Institute of Petroleum] sector institute had better be brought in as fast as possible to propose improved technologies for drilling in geologically complex areas and to develop well designs with a regard for specific stratal features. But this is not the first year science has been silent.

The unfavorable situation at the Azizbekovneft NGDU is also becoming aggravated. Half a year has passed since it was enlarged, incorporating the Ordzhonikidzenеft NGDU—earlier they had both fulfilled their plans—and today the NGDU has careened into the ranks of the solid laggards. It is possible that the selection of executives was unsuccessful, and they have been unable to instill order in the amalgamated production. Otherwise, how to explain the millions in losses, the growing production debt and the constant penalties for the delivery of low-quality oil? And after all, the oil of these fields was praised worldwide for its valuable properties. It is prized no less today, rather even more so (because there is little of it). Just what is hindering handing it over to the economy today at high quality and with profits for the collective?

The Leninneft NGDU is among the greatest debtors. The small and field-sized Siazanneft NGDU is also presenting much trouble. There is no one to cover its large debt.

The Azerbaijan party Central Committee recently adopted a decree on the organizational and political work of party committees and operational managers in seeking out production reserves for developing oil and gas output in the republic. It states directly that restructuring is proceeding slowly in the Azneft Association.

The problem of taking stock of the existing inventory has not been resolved for years. Things have reached a point where Azneft has today accumulated about two thousand wells with a daily yield of less than 100 kilograms of oil. Such a paucity does not even recoup the power expenditures for recovery.

The Azerbaijan party Central Committee has deemed the organizational and political work of the party committees and executives of the Azneft and Kaspmorneftegazprom associations to be unsatisfactory in the development of the sector and conversion to new economic management methods.

Increases in oil production are coming too slowly in the Kaspmorneftegazprom VPO, and new and promising fields are being built up with great lags.

And even though the plans for gas production are being overfulfilled, the rate of decline in production evokes serious concern. Production has declined by 610 million cubic meters compared to the preceding year. The geologists must think about more intensive exploration and surveying of new gas fields.

To reduce losses and make every enterprise profitable without expecting subsidies from the state—there won't be any now—is the task faced in all its magnitude by the oil-recovery workers. With the new year, all enterprises will be converted to complete economic accountability [khozrashchet] and self-financing. How to earn money and improve the work has to be considered now in every collective!

12821

#### Offshore Production Figures

18220013b Baku VYSHKA in Russian 18 Oct 87 p 2

[Article by O. Ginzburg: "Success, More Success!—The Labor Gift of the Oil Workers of the Sea to the 70th Anniversary of Great October"]

[Text] We have already become accustomed to the fact that the Bulla-More NGDU [Oil- and Gas-Production Administration] imeni 50th Anniversary of the USSR more than doubles the plan practically every month. Nonetheless, the new report of the maritime oil workers (in August they reported the completion of the targets for two years of the five-year plan) has provoked many discussions. And how: the collective has fulfilled its increased obligations in honor of the 70th anniversary of Great October ahead of schedule, having produced an additional 100,000 tons of oil and condensate. One need only imagine for a minute forty fully loaded trains made up of tank cars taken together as the contribution beyond the plan of the production workers to the treasure chest of the five-year plan to see how it would look in all its magnitude.

The turquoise reflection of the cold autumn water is piercing. The sea is calm. This fall the Caspian is surprisingly generous with fine days. This plays into the hands of the oil workers—they can do much before the traditionally difficult winter period.

They say correctly that without the shaft sinkers the fields would see no successes. The contribution of the drilling workers of the Bulla and Primorskoye MURBs [Maritime Exploratory Drilling Administrations] really is great. The imprecise and outdated information the NGDU received from the drilling of two units was incomplete in September. Long ago drilled rapidly, they are now working on-line. Nine wells were put into production this year instead of the planned five. And the

production workers are preparing for new "christenings"—two more "newborns" are on the horizon. The promising Alyaty-More area was added to the oil sites by the team of the Bulla MURB headed by the well-known fast worker T. Mustafayev, V. Zeynalov and R. Amirov, as well as L. Goldberg, D. Mamedov and Yu. Shakhverdiyev.

Well 19 proved to be especially noteworthy for the drilling team of Tazakhan Mustafayev. Back in the summer, having drilled to half of the planned depth, the collective fulfilled both its yearly and its two-year targets. It will be perforated and assimilated in the near future, but what is especially noteworthy is that it will be considerably accelerated.

A good surplus to daily production—over a hundred and twenty tons of oil—is expected from the first oilfield thanks to the start-up of new wells.

"We are constantly fighting for primacy with the guys from team No 2 next door." The voice of the foreman of team No 1, a young specialist and the committee secretary for the Komsomol administration, Azer Nadirov, with whom I was able to link up from the dispatcher's post, penetrated the radio interference. "Of course, it is difficult for other of our wells to 'rival' the yield of a powerful one like the 72nd, where the reckoning of extracted product is done in hundreds of tons and cubic meters. We understand that it is important not only to introduce new wells, but to prolong their operating cycle to the maximum as well. That is why preventive work and careful monitoring of their activity is at the forefront. Any failure is expressed in labor and resource expenditures and, most importantly, in shortfalls of dozens of tons of oil. Take wells 42 and 17, for example, which tend toward frequent paraffin formation. So as not to lose a moment when circulation could be restored, we keep a finger on its pulse continuously, figuratively speaking."

The contribution of team No 1 to the cause of the collective is high—78,500 tons of oil beyond the plan have come from its sector to the shore since the start of the five-year plan. Labor productivity has grown by 2.2 percent. The production workers work well together. One out of four team members is a member of the Komsomol, and there are many communists. Senior among them is the experienced operator G. Vartapetyan. The students of this mentor of youth long since have their own pupils. Z. Geydarov, M. Sadykhov, Yu. Barsegyan, B. Mirkin and F. Aliyev have a spirited and creative attitude toward the cause.

"One can rightfully say about our administration that it is small but precious." Chief Geologist A. Kasymov is unrolling a "sheet-sized" table of indicators of NGDU work on top of the field development maps. "We have more than 14 million rubles of profit to our account

today. But this does not dampen us. The geologic services are solving problems to increase production further, since a natural decline in production is projected for a number of the powerful wells. Intensive exploratory, survey and exploitation drilling is being conducted according to our developments in the Alyaty-More, Bulla-More and Garasu areas, and we are preparing to access the shoals of Andreyev."

In short, the oil-production workers have the most serious of intentions. By the way, by the end of the year they are counting on extracting no less than another 100,000 tons of oil and condensate. These figurative trains full of real oil will head off to the consumer according to the new 1988 schedule, on which the oil workers of the sea are already laboring.

12821

### Shelf-2 Rig Output Results

18220013c Baku VYSHKA in Russian 24 Oct 87 p 1

[Article by M. Mirzoyev, chief of the geological department of the Maritime Administration of Exploratory Drilling with Specialized Technical Services: "Shelf-2 Opens a New Accumulation"]

[Text] The crew of the floating drilling rig Shelf-2, having completed drilling of exploratory well 5 with testing at an interval of 2,969-2,963 meters, has obtained a gusher of condensate with a yield of 60 tons and 260,000 cubic meters of gas a day at a record sea depth of 180 meters in the Kaverochkin Field. A gas-condensate accumulation has been discovered in this field for the first time in a sand formation.

"We expected new discoveries in the Kaverochkin area," said MURB [Maritime Exploratory Drilling Administration] STS [Special Technical Services] Chief Geologist G. Kerimov, who did the well testing. "Data on the oil and gas content of this formation in neighboring areas—imeni April 28, imeni 26 Baku Commissars—as well as the positive geo-tectonic situation in the region testified to this. Today the task consists of finding the oil fringes submergence of the Kaverochkin structure."

It must be frankly acknowledged that since the end of well drilling and testing about four months have passed. The time periods were stretched out, and such a long "window" led to a rise in the cost of the well. This is not explained just by the lack of wellhead equipment, due to which the crew was unable to pressure-test the flow string. The situation was aggravated by the fact that in attempting to find where equipment was caught, due to the carelessness of several people a cable broke and the underwater remote television camera fell to the bottom. Divers found it, but it required unplanned descents to great depths. In short, the ultimate aim was achieved at a higher price than planned. The new accumulation of gas condensate discovered allows a considerable increase

in the reserves of hydrocarbons in commercial categories. Overall the crew of the Shelf-2 was able to cope with the tasks they faced. Some 90 people work on the rig: 40-45 on each shift.

The crew is international. It is basically young people under 30 years of age. There are also mentors with much experience. They are rig chief Nureddin Kerimov and his assistant, Ali Abbas. They laid the shafts for deep exploratory wells in the eastern Caspian—on the Zhdanov shoals, imeni Gubkin, LAM—and drilled areas on the islands of Ogurchinskiy and Zapadnyy Erdelki.

Drilling foreman Veniamin Meyerov had earlier taken part in drilling in the Neftyanyye Kamni and imeni April 28 fields, while his replacement, foreman Tofik Mamdeov, from a family of oil workers, won his spurs in the exploration of the Andreyev shoals area in the Baku Archipelago.

Good experience in conquering the depths belongs to driller Gyulmetdin Ibragimov, Asim Kadyrov, driller's assistants Aydyn Veliyev and Rafael Rzayev, diesel-machinery operators Vadim Dronov, Anatoliy Solodkov, fitters Mikhail Ilyushkin, Mirza Mirzoyev, electricians Yevgeniy Martynenko and Amir Dadashev and collector-operator Tamara Samilkina.

The maritime technical service of Shelf-2 is headed by Deputy Rig Chief Petr Alekseyev. He has worked in the fleet for 40 years, 25 of them as a tanker captain. He has sailed on the Baltic, Black and Caspian seas and shipped cargo to Italy, Greece and Egypt, but today he is assimilating the continental shelf along with the oil exploration workers. It is crucial work. The main thing is to keep the floating rig over the wellhead in any weather conditions with constant observation of the list, draft and displacement of the process equipment. After all, the rig is continuously being loaded with fuel, chemical reagents, spare parts and drinking water. And all of this cargo must be stowed in such a way as to maintain the rig in a strictly horizontal position.

The Shelf-2 was put into the Kaverochkin area in April of 1983. The exploration was begun in the open portion of the Caspian Sea in a fold in the Apsheron rise with an underwater cofferdam.

In July of 1983, having drilled well No 1, the crew of the Shelf-2 conducted successful testing on it. A stable daily oil (over 300 tons) and gas (200,000 cubic meters) flow existed in the 2,884-2,844-meter interval. A second oil influx was obtained from the second well. The field appeared from that day forth on maps of the Caspian and was given the name Kaverochkin. The laurels for being the initial discoverers went by rights to the crew of the Shelf-2.

Survey and exploration operations on the Kaverochkin Field have continued. In January of 1986, the Shelf-2 was positioned at a new point where the water depth is 180 meters. This is a record depth. Here the oil explorers set about the drilling of well No 5.

The drilling went to 1,515 meters without complications. A 339-mm intermediate string was lowered and cemented at that depth. Next came the tricky sections. The well showed in the annular spaces. They had to lower a smaller-diameter string into the shaft already made. Having eliminated the defect zone, the well was deepened to 2,413 meters. The next 178-mm "countersunk" string was lowered to this depth. The drilling tool later seized up during drilling at a depth of 2,417 meters. They had to use a special reamer in the body of the "countersunk" string to open the aperture and in that manner deepen the well. This created many difficulties.

In order to avert possible complications, a specially created commission projected a plan to expose the productive horizons within depth limits of 2,570-3,050.

Having taken all precautionary measures, the crew of the Shelf-2 drilled the well to a depth of 3,055 meters. Complications arose there with the readings from the electrical logging. Matters were complicated by the fact that it was impossible to pass well geophysical instruments through the aperture of the "window" in the body of the "countersunk" string due to its small dimensions. The chief of the commercial-geophysical party, Yuriy Mizandrontsev, and the logging foreman, Alik Sarafyan, displaying keen wit, used an ordinary small-diameter probe. With the aid of this probe the geophysicists were able to make the necessary measurements. It became clear that the section of well No 5 differed advantageously from that of well No 1 drilled earlier, the first discoverer of the field. The oil- and gas-bearing level in well No 5 proved to be several times higher: whereas two sites were discovered in well No 1, there proved to be eight in well No 5, of which five were new accumulations with good logging characteristics...

A little time will pass and the testing of all of the oil- and gas-bearing sites exposed by well No 5 will be completed. The oil workers are dedicating their success to the 70th anniversary of Great October.

12821

**Drop in Exploratory Drilling**  
*18220013d Baku VYSHKA in Russian 11 Oct 87 p 2*

[Unattributed article under the rubric "Report Commentary": "Drilling—The Leading Edge"]

[Text] The amount of exploratory drilling has fallen sharply in the republic in recent years. It has been wound down in Azneft [State Association of the Azerbaijan Petroleum Industry] under the pretext of the need to increase operational drilling when a policy was adopted

of intensive infill drilling for the lower divisions of the Apsheron areas where, as practice has shown, the wells are producing about five or six tons of oil or more. The state of affairs, however, remains at the 1980 level. And the diminished plans are systematically not being fulfilled.

A gross-output approach holds sway. Dozens of inefficient fields are being drilled and hundreds of low-yielding wells are being put into service that do not materially supplement the plan. The land-based drillers have put 172 wells into service since the start of the year instead of 150. And the shortfall in oil production continues to grow.

Why, for instance, does the leading Ali-Bayramly UBR [Exploratory Drilling Administration], while overfulfilling the plan for total drilling, disrupt exploratory drilling at promising areas, while the backlog grows at the Shirvannef NGDU [Oil- and Gas-Production Administration], where they are not getting good wells.

And can there really be any discussion of erasing the deficit in the Siazanneft NGDU if the Siazan UBR supporting it has fulfilled its September exploration plan by 10 percent, and the operational plan by one-third? The organization of materials supply and the living and working conditions of the drillers are very badly organized high in the mountains in the difficult area of Zagly-Zeyva.

The Prikurinskoye UBR, over the whole course of its existence, has not once managed to cope with the stipulated target, and drags down all the economic indicators of Azneft. An error was made by Azneft management from the very beginning in the selection of a strategy for assimilating the new fields of western Azerbaijan. Its Dzheyranchelskaya expedition brought 12 machine tools there, but the material and technical base is at such a level that only six can be supplied with work. Half of the wells are always in accidents and difficulties. The greater portion of the wells that have not reached the projected horizons are being written off.

Drilling in Azneft today produces only about half a million rubles of profits, although it could have been ten times higher if the 890,000 rubles of the Apsheron UBR and several hundred from the Gobustan Derrick-Installation Office had been added to the four million rubles earned by the collective of the Ali-Bayramly UBR—some of these funds could have been spent by the drillers on social needs, the construction of housing and material incentives. But alas, almost all of these funds go to cover the five million rubles of losses taken by the Prikurinskoye UBR. Over nine months it came up 12,000 meters short in drilling and did not put seven planned wells into service. The laggards, as always, "ate up" everything earned by the others. Beginning on 1 Jan 88, however, when all enterprises are converted to self-financing, no one will be feeding the dependents. And the management of Azneft, the drilling administration and the party

committees in the rayons where the drillers are based must now clearly imagine what path will be taken by the chronically lagging collective.

All of the drilling enterprises of the Kaspmorneftegaz-prom [Caspian Sea Oil and Gas Industry] VPO [All-Union Production Association] fulfilled the plan for total drilling in September. The collective of the Bukhta Il'icha MUBR [Maritime Exploratory Drilling Administration] worked especially well, taking on the obligation of fulfilling the yearly plan by the 70th anniversary of Great October. The administration has reached a record drilling speed overall—809 meters per drill per month. The enterprise has half a million rubles of profit beyond the plan.

The collective of the Bulla MUBR is performing its pre-October shift in shock-work fashion. Since the beginning of the year, it has started up seven superdeep productive wells instead of four, in that manner making it possible to overfulfill the oil- and gas-production plan for the enterprises of Karadagskiy Rayon. The record well No 72 started by them is working mightily on the plan from the eighth horizon. The Bulla MUBR is making a good profit this year.

The collective of the Peschaninskoye MUBR is upholding its name highly as before—it already has about four million rubles of profits to its account. The Sangachaly MUBR is also working steadily and turned over three wells in September, and the same number is planned for October.

Dozens of drilling teams have reported the early fulfillment of intensive obligations—plans for two or two and a half years of the five-year plan—in honor of the anniversary of October. They include the teams of drilling foremen V. Lalayan and M. Zeynalov, A. Magerramov and Yu. Semenov and G. Gasanov and A. Aliyev from the Peschaninskoye MUBR; A. Ragimov and T. Suleymanov and Agadash Kerbalay oglu and S. Gadzhiev from the Sangachaly; and, D. Gasanov and A. Ismaylov from the Khazar floating drilling rig.

It must be reported with regret that almost half of the drilling teams are not fulfilling their plans, and their drilling speeds are two to three times slower than the leaders. Who will drag them along? After all, up until now there have been no instances of the conversion of leaders into laggard teams.

In September of this year, for the first time, the MUBR STS [Special Technical Services] fulfilled its plan, although the collective will not be able to cover its losses on the scale of 20 million rubles before the end of the year by itself or with the help of others.

Instilling complete order in this sector is required by the recently adopted decree of the Azerbaijan party Central Committee "The Organizational and Political Work of

Party Committees and Operational Executives in Seeking Out Reserves for the Development of Oil and Gas Production in the Republic."

12821

## ELECTRIC POWER GENERATION

**Interview with Ignalinskaya AES Officials**  
18220025 Vilnius *SOVETSKAYA LITVA* in Russian  
26 Nov 87 p 3

[Interview with chief engineer G. Negrioda, reactor department chief V. Zimiv and deputy radiation safety department chief V. Zy whole of the Ignalinskaya AES, by Z. Shupayeva (Snechkus); "Safety Above All— Reporting from the Ignalinskaya AES"]

[Text] Power unit No 2 of the Ignalinskaya nuclear station recently was introduced into the country's Unified Power System. This event did not go unremarked, for a universal heightened interest in everything that occurs in nuclear power engineering is being observed today. The repercussions from the events at Chernobyl are still strong. But even then, during those bitter and tragic days, the most authoritative scientists and specialists were saying: "Progress does not stand still. A future without nuclear power is unthinkable, and it should and will be developed."

In this connection, the question arises, has everything now been done to insure indisputable safety of nuclear power in any situation, even the most unforeseeable? It is this which led me to the Ignalinskaya nuclear plant. Familiarization with it began with a conversation in the office of the chief engineer, G. Negrioda. Also taking part in the discussion were reactor department chief V. Zimiv and deputy chief of the radiation safety department V. Zy whole of the Ignalinskaya AES, by Z. Shupayeva (Snechkus); "Safety Above All— Reporting from the Ignalinskaya AES"]

[G. Negrioda] Based on a deep analysis of the Chernobyl accident, a major collective of scientists, designers and operating workers developed a full set of measures for insuring the safety of AES's. They included improvement of the regulating system and protection of the reactor, the equipping of each station, including ours, with a powerful diagnostics system which will enable even minimal deviations from the normal operating parameters to be detected, even at the earliest stages, a strengthening of computer support for the AES's, and many other things.

The IAES's [Ignalinskaya AES's] second power unit was turned over for operation in a way that took into account the newest requirements for safety and reliability. Its startup had to be delayed in order to introduce all the required measures.

The engineering measures carried out now provide completely for the plant's safety. It is true that, in so doing, its economic indicators have been reduced. We went this route consciously because safety is above all.

[Question] The station's first power unit is now stopped. What is the reason for this?

G. Negrivoda. The first power unit was put in planned overhaul. Such repairs are performed in accordance with a schedule at all electric-power stations, both thermal and nuclear. And so all the measures required for providing for safety were carried out on the first power unit prior to its shutdown for planned overhaul.

[Question] But all the same, rumors crop up from time to time about alleged seal failure, leaks of steam, gas....

V. Zimin: I will say for the record right now that there have been no seal failures or breaks in pipelines at the Ignalinskaya AES. The existing monitoring of pipelines and equipment and the planned-preventive maintenance system practically preclude them. But even such cases are provided for by the systems that provide for the station's operating safety. Seal failure in equipment will not lead to the escape of radioactive substances above the established norms outside the AES's boundaries. Everything will be shut down within the strong, thick reinforced-concrete cells. Then cooling and condensing and the containment of radioactive substances will occur within special systems for localizing accidents, which will preclude their escape into the environment.

[Question] One usually asks here: "What about the norms? Are they as small as one would like?"

[Answer] I assure you with confidence that these norms are international and are very rigid.

V. Zyk: Their observance is monitored constantly by means of the most modern and sensitive equipment. Suffice it to say that more than a hundred qualified specialists are engaged in radiological safety and equipment-safety matters. Moreover, we are monitored by the Lithuanian SSR Academy of Science's Physics Institute, Goskomgidromet [State Committee for Hydrometeorology and Environmental Monitoring], Minvodkhoz [Ministry of Land Reclamation and Water Resources], and many other organizations.

\*\*\*

They suggested that much of this can be seen if I visited, for example, the power-unit switchboard (BShchU), where all the information is concentrated in visual form.

...Tatyana Zagarskaya, mechanical engineer of the reactor department, and I descend into the change room of the personnel-access lock entrance, and we dress into white coveralls and headgear. Tanya hangs on a button of her jacket a small flat box—a dosimeter. And now we

are walking along an endlessly long corridor. We open a door with a coded lock and find ourselves in a small room. Panels with blinking video screens, display boards, indicators, diagrams and displays occupy the whole wall.

While the reactor hall is properly called the heart of a nuclear station, the BShchU is its brain. Wires from all the sensors converge here on the instruments. All processes and the slightest change in operating parameters of the power unit are reflected in the displays and screens. The operators, sitting behind three horseshoe-shaped panels, watch the instrument readings intently. These are the senior reactor and turbine control engineers, or, as they are called in abbreviated form, SIUR'S [senior reactor-control engineers] and SIURT's [senior reactor and turbine control engineers].

"Automation controls operation of the reactor and the turbines. Then what role do the operators play?"—I inquire with interest of the chief of the engineering and production department, S. Rusakov, who is present. "Only to take readings?"

"At first glance it actually can seem so. But behind this seeming lack of dynamism and monotony is much tension, an enormous psychological load and responsibility. You see at the top, above the panel, there is a multitude of small displays. They are not lit up right now. This means that the unit is working with normal operating parameters, and the operator has only to observe and, if necessary, adjust the process.

"But if the display is lit and starts blinking and an audio signal is heard, that means that one of the numerous operating parameters of the unit has approached the permissible limit. And so the intervention of an operator is necessary: to set something straight, to make some fine adjustments. This must be done very precisely, with a comprehensive understanding of all the internal connections. Otherwise, in correcting one thing, another can be spoiled."

Well, and if the operator has not intervened or has intervened incorrectly?

"Then a special automated system, whose mission includes seeing to it that not one of the important parameters exceeds the permitted level, simply stops the reactor."

"Can the automated system be trusted completely?"

"Any mechanism can, of course, fail, but, by raising its reliability, the possibility of this failure can be reduced to a minimum. This is one route which we are following. And there is a second: a multichannel automated device, it duplicates the other. If one of the channel becomes inoperative, the other starts operating, and the reactor still cannot break out of control, it will be suppressed."

"And so the unit is stopped. And what are the consequences?"

"The lights in housing go off for a while. When the unit stops there is an interruption of the supply of electricity to customers, an ordinary production interruption, the same as at any enterprise. By the way, since the requirements for observance of operating instructions were tightened up, there has been no accidental shutdown of the reactor and turbogenerators through the fault of the tending personnel."

"This means that, however much the automation and the equipment that control power-unit operation have been improved, the main thing still remains the person, his conscientiousness and his professional level...."

"Yes, times occur in the operators' work when he must assume responsibility and make a single correct decision."

"How are such specialists trained?"

"Let's ask them themselves. Here, for example, is senior reactor and turbine control engineer A. Aleyev."

"First is a year-long course in theory and the taking of examinations," he answers, "and then training on special trainers, where skill in acting under extreme conditions is developed, and then the so-called responsible understudying. But even upon admittance, training does not end. Annual examinations and regular firefighting and accident-control exercises help in staying in shape always."

...And again we go along the corridors, staircases, and passageways. This time our route led to the radiation-safety control panel. Here sensitive instruments make observations around the clock about the radiation state of discharges into the environment. I see a line that is almost straight, pressed close to the zero on the diagram that is being drawn on the self-recording strip. The instruments are silent: the level of radioactivity in the discharges from the station's three-column vent stack does not reach the point of reference of their sensitivity, and it is one-tenth of the permissible norm. There are zeros also on the scale of the facility that checks on the purity of the water discharged into the lake.

...The laboratory for outside dosimetry is located in Snechkus itself, a few hundred meters from the busy main street. The laboratory's workers are armed with supersensitive equipment and they monitor within a 30-km zone around the station. They make a scrupulous chemical and radiometric analysis of the air, the water, atmospheric precipitants, soils, vegetation and agricultural products.

The samples taken, including that of the filters through which air from the atmosphere is pumped, first is burned, then it is evaporated in special furnaces, and then weighed and placed in an analyzer.

Here laboratory worker Zimina takes a glass with a handful of ash - all that remained from a prepared perch taken from Lake Drukshay. Radiometric analysis of it continued for six hours, and only then did the computer give the results.

"So," says the laboratory worker, studying the sheet with columns of figures attentively, "we subtract the natural radiation background, then we look at it. The perch is pure."

"We have been making studies since 1983, since the IAES's first reactor started operation," says senior engineer of the laboratory S. Okorochkov. "During all this time we have not observed discharges that exceeded the natural background. Our data indicate that the radiation situation in the surrounding locality has not changed since startup and operation of the nuclear power station. And this is the main thing."

11409

#### Sayano-Shushenskaya GES Construction Slowdown Noted

18220033a Moscow PRAVDA in Russian 11 Dec 87 p 4

[Letter by members of the soviet of the working collective S. Samoylenko, electrical repairman; P. Parshukov, gas and electric welder; M. Ivlev, senior foreman and chairman of the soviet of the working collective; and ten other signers, all acting on the instructions of the Sayano-Shushenskaya GES collective: "The Sayano 'Take-Your Time Construction Trust'"]

[Text] Dear Editorial Board! Today the Sayano-Shushenskaya GES is a facility that is very important for the whole country. But its construction still has not been finished. This important question persuaded us to write the editorial board, and it has not given us peace since December 1985, when the last and 10th unit of the Sayano-Shushenskaya GES was connected to the power grid.

Since the end of 1978, that is, since startup of the first unit, the Sayano-Shushenskaya GES has fed the Siberian power system more than 90 billion kWh and completely paid for itself. But since then we, the operators, have been working in an uncompleted machine room at unfinished hydraulic-engineering structures. The construction of housing for the power workers, a sports complex, a children's milk kitchen and a number of other facilities has been dragged out. All this, of course, strongly disturbs life and work. What has been done since then to put a stop to the Sayano "Take-Your-Time Construction Trust" that has been forced on us?

We, the builders, have tried as best we can to correct the situation. And, as a result, at the end of 1985 the two last hydropower units at the Sayano-Shushenskaya and just as many at the Maynskaya GES were introduced. We are proud of this, justly, we think. And we ourselves strongly considered that the higher organizations to which the collective reported the introduction at full capacity of both GES's values the collective's enthusiasm for and supports its businesslike attitude toward the full completion of construction of the hydropower station.

But, unfortunately, this did not happen. What is more, some supervisors of the branch began to say that this success of ours was not a success at all, we still have an enormous residue of the budget-estimated cost, that is, the Sayano-Shushenskaya GES seemingly has become unneeded. They say to us: what do you want? The GES indeed is operating—so it is all right.

Judge for yourself whether it is easy for us to hear that. The fact is that during formulation of the plan for the construction and installing work for the Sayano-Shushenskaya and Maynskaya GES's, that year USSR Gosplan and USSR Minenergo (Comrade V. Panfilov) originally allocated 32 million rubles. Even with misfortune, half of that alone would be enough perhaps for a turnaround in the job of finishing the machine room, preparing the reservoir's river bed, and creating a substantial backlog of accomplished work at the facilities for housing and social and cultural facilities in the operators' village of Cheremushka, so that next year, without reducing the pace, the construction of at least one GES—the Sayano-Shushenskaya—may be completed.

The current year had hardly begun when these same organizations took away a whole 12 million rubles. With that, naturally, this amount of material resources vanished. Only after persistently kicking up a fuss with local party and soviet organs was it possible to restore the withdrawn millions, but not the resources! Time had passed.... And now, for example, instead of the needed 10,000 tons of metal constructional structure, Sayany is allocated only 7,000 tons, and even then after great delay. As a result, remodeling of the water conduits for the fourth, fifth and sixth units planned for this year from temporary into permanent conduits has now been put off until 1988. And so it is for the whole operating front. And the operations are most labor intensive: decorating and final finishing work. There is no explicitness as to the shipment in the full amount of granite slabs, ceramic facing tiles and other materials.

The Sayano-Shushenskaya GES is a special facility of the Power Program. It would seem that Lenin's GOELRO [State Commission for the Electrification of Russia] plan had been continued for decades. Our GES is in the Sayany and it bears the name Sayano-Shushenskaya, which is dear to all of us. There, beyond the Sayany

mountain ranges, a stone's throw away, is a place sacred for all Soviet people, where, at the turn of the century the young Vladimir Ilich lived in tsarist exile and worked in the name of the revolution.

Therefore it is doubly painful and distressing that completion of the second high-capacity hydropower station on the Yenisey has come to such a standstill. Therefore, the task of preparing the GES for turnover for industrial operation has become urgent and first priority. The working collective's soviet recently examined it and recommended measures on how to resolve this task in 1988. It would have been realistic if matters had not been delayed! Deputy USSR Minister of Power and Electrification S. Sadovskiy approved the measures. Krasnoyarskgesstroy [Krasnoyarsk Trust for the Construction of Hydropower Stations], the general contractor, adopted them, although under protest. If only they would not remain on paper again....

And there are foundations for these fears. The Tuva ASSR was poorly prepared for work on the Sayano-Shushenskaya GES at full industrial operation. The policy there was: you do everything for us but we shall wait, they say, we are in no hurry for the reservoir to fill. But the country will obtain from it in 1988, 4.5 billion kWh of electricity less than it could have, because if it is not prepared up to the designed level, water will pour off the reservoir uselessly. And this is almost half the amount that the Volga GES imeni V. I. Lenin yields (10 billion kWh).

The problem of wood debris in the reservoir has not been solved. The operators are preparing with their own forces to float the wood mass into rafts and to send them to the shore for loading. But Minlesbumprom [Ministry of Timber, Pulp and Paper, and Wood Processing Industry] enterprises, primarily the Khakasles Association, which I. Oleynik supervises, are not making haste to accelerate the unloading of these rafts: they still have not figured out what to do next with the wooden "cache."

But of all the problems, the main one is the urgent necessity for concentrating the builders' efforts at the Sayany site, after assigning the Krasnoyarskgesstroy collective to the basic task: to prepare in 1988 for the complete turnover of the Sayano-Shushenskaya GES and, by 1990, of the whole Sayano-Shushenskaya hydraulic-power complex. A striving on the part of the Krasnoyarsk hydraulic-engineering builders toward such a concentration still is not in evidence. Where is it that their detachments are not working? They work at KATEK [Kansk-Achinsk Fuel and Power Complex] and at Kureyka, Lesosibirsk, Abakan, Krasnoyarsk, and so on. It is clear that they are not inactive, and all the facilities that are under construction certainly are needed. But their forces are still dispersed, and the facilities cannot give the expected yield. Why not gather Krasnoyarskgesstroy's construction and installing detachments into one hand, so they can complete work in shockwork fashion on the Sayano-Shushenskaya GES facilities,

including housing and facilities for social and cultural purposes for the operators, and then, without dispersing, finish the other construction projects?

We are coming out in favor not just of most rapid introduction of the GES into permanent type operation but also of the introduction only of facilities of the production and social spheres that are irreproachable and of high quality in all parameters. Only in this way is it possible to provide for reliable and highly effective operation of the Sayano-Shushenskaya hydropower station.

11409

### Regional Power Systems to Switch to New Operating Mode

18220033b Moscow NEDELYA in Russian No 48, 1987  
p 6

[Interview with Deputy USSR Minister of Power and Electrification Yevgeniy Ivanovich Petryayev by L. Kaybysheva, under the rubric, "Are We Ready to Operate under the New System?": "The Right to a Profit"]

[Text] Seven of the country's regional power systems will start the new year under complete self-sufficiency and self-financing. Deputy Minister of Power and Electrification Ye. I. Petryayev tells about this experiment.

[Question] Yevgeniy Ivanovich, why is it still only an experiment? What prevents the whole branch from transferring to self-sufficiency?

[Answer] The problem is the specifics of electric-power engineering, the special nature of our production and interrelationships with customers. For we produce our "commodity"—electrical energy—at the very moment and in the very amounts that our customer needs. You do not put it in a warehouse. Let us recall that profit is one of the main criteria for the operation of each enterprise. Let us assume that we can increase the output of our product, increasing our profit this way. But what if the customer does not need the increase at the given moment? But then at another moment it is possible that more electricity will be consumed. That is, we respond immediately to the demand. Then, just what is "more electricity"? It is more fuel burned, whose resources are not renewable. Each additional ruble of profit from the sale of electricity means that we should burn an additional one and a half rubles of fuel.... The branch has other peculiarities which do not allow the experience of industrial enterprises to be transferred here. At the same time, the pace of development of the whole national economy depends upon the scale and quality of the power supply. For each kilowatt-hour of electricity is "transformed" into 13 kopecks of national income (which is severalfold its commodity price). And billions of rubles take shape from the kopecks. A reliable power supply for the national economy and for everyday living depends not only upon the amount of energy generated

but also on how thrifitly it is consumed I will add: steps taken to save electricity cost the economy half as much as the expenditures for generating it (taking into account expenditures on extracting and shipping the fuel).

[Question] Restructuring of the economy calls for, in particular, an expansion of the rights of enterprises. But what rights can be expended in power engineering if all the electric-power stations, even regional power systems, work on command from "above"—from the Central Control Administration of the country's Unified Power System?

[Answer] Yes, we cannot get along without centralization in our business, and the Unified Power System joins thousands of power stations, more than 90 percent of the power capacity and the power grids that are connected by a unified operating process. Thus we save capital investment for the construction of new capacity, and we provide for a reliable power supply. Right now the ministry is working out a new system of economic relationships between regional power systems and the country's Unified Power System. The goal is that of achieving greater motivation for them to reach the maximum level of economic effectiveness of the Unified Power System. But the enterprises possess much freedom of action in organizing their own economic activity.

Power-system collectives that are to convert to the new principles of management have already performed a "reconnaissance" and have come to the conclusion that the matter is promising. However, they have been convinced: that expanding enterprise rights is the simplest part, while the economic and organizational problems are more than enough. The main thing is, how to coordinate their interests with those of the branch and the state? We should provide completely for the requirements of the developing national economy, but...at minimal cost for our own production. USSR Minenergo [Ministry of Power and Electrification] have been checking for several years now various ways of organizing the work. For example, in a future year we shall introduce a new system of relationships between repair enterprises and power stations, increasing the self-sufficiency of the latter. A number of criteria for assessing the activity of collectives have changed, and we are altering the terms for wages. Many innovations have yielded a good benefit. For example, in the use of equipment.

However, the bulk of the questions do not depend upon us. It is well known that the Statute on the State Enterprise (or Association) calls for a rise in responsibility for the final result of the work, for fulfilling obligations to the customers, and the income of power system collective also is determined this way. Of course, profit also operated previously as an economic indicator, but the form of dependence of power engineers and customers is not entirely the same as in other spheres of activity: the power engineers depend completely on the requirements for power.

[Question] Only on them? And on the suppliers?

[Answer] Yes, and on the suppliers. Indeed, the chief component in the prime cost of electrical and thermal energy is fuel. And its quality (especially coal's) is changeable and unpredictable, like the weather. And the suppliers do not bear any kind of responsibility for this. Even if, for example, in 1986 the total actual capacity of electric-power stations turned out to be 4 million kW less than designed because of poor quality of the fuel, plus the fact that costs for operation, repair of equipment, and nature conservation measures rose. We consider that the price for fuel must be set as an estimate not per ton, as is the case now, but per fuel unit, taking into account here the content of ash, sulfur and moisture. The power engineers are also paying for more expensive equipment. For example, turbine prices increased by about 10 percent between 1982 and 1985.

[Question] It is clear that all this refers to prime cost per kWh. And it depends, let us say, on the time of day?

[Answer] Of course, as well as upon the region where it is produced and consumed. The schedules have been constructed on a cost principle, which does not consider such nuances. Rural consumers are paying at the lowest price—much lower than its prime costs. Although it is precisely in the village that power consumption is growing especially rapidly. And besides, in industry expenditures for power comprise only a few percent of the prime cost of the output that the enterprises produce. This does very little to stimulate a search for the potential for saving electricity. In our view, the consumer should pay also for the guaranteed reliability of the power supply. Thus, when buying a television set we pay for free guaranteed repair for 1 or 2 years. The equipment of power stations, power lines, and substations is more complicated than a television set, and, in order to guarantee their uninterrupted operation, no few funds are needed.

[Question] How will all these problems be decided by those seven power systems that are converting to full self-sufficiency?

[Answer] They will have to do a lot of work in order to study the various options of management under the new system, to find optimal forms for their activity, and to change the system of mutual relationships with the supporting agencies. In general, the role of pioneer will descend upon them, on the basis of which others must proceed. Their work will help to create a generalized criterion for effectiveness of the whole branch of Elektroenergetika [Electric Power Engineering].

**Last Concrete Laid for Ingurskaya GES Dam**  
18220033c Moscow *PRAVDA* in Russian 13 Nov 87 p 6

[Article by G. Lebanidze (Georgian SSR): "A Mountain Giant"]

[Text] Construction workers and operators recently laid the last cubic meter of concrete in the body of the Ingurskaya GES. The station's designed capacity of 1.3 million kW has been reached. Construction has entered the concluding phase.

Set against giant shoulders in the great bulk of a mountain, the dam is holding back the onslaught of 1.1 billion cubic meters of water. From here the water goes over a 15-kilometer tunnel that pierces the rocks to the station's building, where it powers the blades of five turbines. The electricity goes to the Transcaucasian republics, and it will help to lighten peak loads in the south of Russia. For this purpose, the Ingurskaya GES-to-Stavropol'skaya GRES power transmission line, 600 kilometers long, has been laid in the heights above the clouds.

"The hydropower builders have gone through a good school of expertise here," says former chief of construction and now chief of the Gruzidroenergostroy [Georgia SSR Hydropower Construction Association] Hero of Socialist Labor M. Tsiskarishvili. "The erection of this high-capacity arch dam in a seismic area was performed in our country for the first time. Scientists and specialists of Moscow, Leningrad, Tbilisi and Kiev helped to solve the complicated engineering and scientific problems."

I once visited the laboratory of the Tbilisi Scientific-Research Institute of Hydropower Engineering and Structures imeni A. Vinter. I watched a test of models of the dam. One of them bound by a spider web of the sensors, and it passed the examination for an earthquake. The initial parameters were refined, guaranteeing the stability of the structure against underground shocks. Another model was checked for release of flash floods. The calculations showed that the water that rushed down from the height of the dam was capable of destroying the rocky ground. The scientists developed measures for absorbing the force of its impact. It was decided to widen the dam's abutment, to remove weak rocks, and to seal up the hollows and crevices with concrete. This imparted increased strength to the structure. Even the cement was created specially. It was named IGTs [Inguri Hydraulic-Engineering Cement], which Rustavi cementmakers have begun to produce. The honor of laying the last scoop of concrete in the body of the dam was awarded in a pre-October competition to the brigade of G. Nadaray. The hydropower giant has been raised up in the mountains to its full gigantic height.

**Novosibirsk Works on Generator of New, Unified Series**

18220033d Moscow *IZVESTIYA* in Russian 16 Nov 87 p 1

[Article: "For KATEK's [Kansk-Achinsk Fuel and Power Complex's] Power Engineers"]

[Text] Work is being done at Novosibirsk's Sibelektrotayzhmash [Siberian Production Association for Heavy Electrical Machinebuilding] on the fabrication and testing of generators of 500-megawatt capacity of a new and unified series. Its design was developed by specialists of the Elektrosila Association and Sibelektrotayzhmash. Today each of the enterprises of Minelektrotekhprom [Ministry of Electrical-Equipment Industry] is producing its own type of high-capacity electrical machinery. Introduction into the national economy of the unified series of turbogenerators will enable interchangeability of parts and components to be provided for during repair, regardless of the place of the machine's manufacture.

The new turbogenerator is intended for power stations of the Kansk-Achinsk Fuel and Power complex.

11409

**Ekibastuz GRES-1 Nears Generation of 100-Billionth Kilowatt-Hour**

18220033e Moscow *SOTSIALISTICHESKAYA INDUSTRIYA* in Russian 18 Nov 87 p 1

[Article by M. Glukhovskiy: "A New Goal for Ekibastuz"]

[Text] Ekibastuzskaya GRES-1 workers are totaling up the results of each passing day with special interest. Mere days separate them from the goal of 100 billion kWh.

"The most huge GRES has generated so much electricity since April 1980 when it yielded current from its first power unit," says station director A. Grigoryev. "For comparison, let us recall: total generation of the power stations whose erection were called for by GOELRO [State Commission for the Electrification of Russia] Plan has been exceeded more than 12-fold. And this in the lands of Kazakhstan, where, prior to the October Revolution, the capacity of all the power stations did not exceed the capacity of a modern diesel locomotive."

Among the competition leaders is the Komsomol youth collective of the department for heating automation under S. Dzyuboy. The brigade of repairmen of the heat-transporting department of A. Dengof is operating at a precise pace. Among the shock workers are power-unit machinists G. Zebakhin, M. Matviyenko and M. Abenov.

The GRES-1 has already generated more than one and half billion kilowatt-hours of electricity more than it did in the same period of last year. Thanks to better operation of the equipment and a shortening of repair periods, machine downtime has been greatly reduced. This has yielded a considerable winning not just of electricity. Indeed, for each startup of a "five-hundreder" power unit, and there are eight at the station, less than 300 tons of fuel is required. A new form of awarding bonuses for effective use of operating capacity has been telling.

11409

**Second Power Unit of Balakovskaya AES Connected to Power System**

18220033f Moscow *IZVESTIYA* in Russian 10 Nov 87 p 2

[Article by V. Nikolayeva (Balakovo, Saratov Oblast): "Watch of the Peaceful Atom"]

[Text] The second power unit of the Balakovskaya AES has been connected to the country's Unified Power System.

The Balakovskaya AES has already produced almost 9 billion kWh for the country's Unified Power System. A day or two ago an event transpired here: the second power unit was started up in operation with a design capacity of 1 million kW.

...A special machine was at work in the reactor division of the second power unit, which recently had many people, loading tens of cassettes of uranium into the reactor. The machine is controlled with the help of a video camera.

"The prescribed 72-hour run-in of the unit under an industrial load has just been finished," said chief of the Saratovgessstroy [Saratov Hydroelectric Power Station Construction Administration] A. Maksakov. "As yet it comprises 40 percent of capacity. The new unit has a three-fold reserve backup for all the active systems, providing reliability and nuclear safety for the AES."

The power unit will come up to design capacity in half a year.

11409

**Kazakh SSR Plant Falls to Ship Power-Line Supports to Kirghiziya**

18220033g Moscow *SOTSIALISTICHESKAYA INDUSTRIYA* in Russian 20 Nov 87 p 1

[TASS item (Frunze-Taldy-Kurgan): "They Forgot About the Neighbors—a Sharp Message"]

[Text] Silence reigned at many of Kirgiziya's rural LEP's [power lines] that are under construction, and the Kirgizelektrosetstroy [Kirghiz SSR Trust for the Construction of Electric-Power Grids] collective is idle.

There is one cause—there are no supports, which should have been shipped from Taldy-Kurgan.

"We cannot complain about the suppliers," answered P. Kheray, the enterprise's chief engineer. "We ship supports to almost 30 places, which Kazakh SSR Minenergo [Ministry of Power and Electrification] has indicated to us."

Petr Vasilyevich points to a schedule of shipments of output that is signed by the chief of this ministry's administration, A. Putintsev. Both documents named only customers from Kazakhstan.

However, Kirgizelektrosetstroy familiarized the TASS correspondents with another document signed by the same A. Putintsev—a protocol about an agreement for the shipment of reinforced-concrete structure from Taldy-Kurgan plant to Kirghiziya during this year. There is also a USSR Minenergo regulation: supports for LEP's in Kirghiziya should come from the Kazakh SSR. However, Minenergo of Kazakhstan, in striving to insure success in his own department, forgot about the neighbors....

11409

**Second USSR Power Line Extended into Afghanistan**  
18220033h Moscow *IZVESTIYA* in Russian 16 Nov 87 p 1

[Article by V. Surkov (Tajik SSR): "An LEP [power transmission line] Steps Across the Border"]

[Text] A new electric-power transmission line over the rocks of the Soviet Pamirs has stepped across the border river Pyandzh and gone to the Afghan shore. And in the rayon center of Kalai-Barpandzha, which is situated in the Afghan province of Badakhshan, electric-light bulbs burned for the first time in all of history.

"We have taken only the first step, we have given power to 15 administrative buildings and 30 housing units," says B. Sirozhev, chief of Tadzhikglavenergo [Main Regional Power Administration of Tajik SSR].

Electrification of the villages of Afghanistan will be continued actively. These operations are being conducted free of charge within the framework of extending technical assistance to Afghanistan.

This is the second power-transmission line extended into the neighboring country.

11409

## CONSERVATION EFFORTS

### Oil Products Conservation Barriers Cited

18220034 Moscow *EKONOMICHESKAYA GAZETA* in Russian No 49, (bx; INov 87 p 6

[Article by V. Gataullin, chief of the Kazan Regional Administration, and M. Giniatullin, deputy chief for Economic Problems, of RSFSR Goskomnefteprodukt (Kazan), under the rubric, "The Economic Mechanism: Experience and Problems": "Obstacles in the Customer's Path—What Slows Restructuring of the System for Supplying Petroleum Product"]

[Text] The delivery of petroleum product has a special place in the system for supplying production facilities with materials and equipment. This circumstance is occasioned, first, by the scale of petroleum-product consumption in the national economy. For example, the Kazan Regional Administration of RSFSR Goskomnefteprodukt [State Committee for the Supply of Petroleum Products] serves about 14,000 customers in the Tatar, Chuvash and Mariy autonomous republics. We sell more than 10 million tons of petroleum product in a mix of 200 items in a year.

Second, the specifics of transporting and storing petroleum fuel do not enable customers to establish large reserves of it. So each interruption in shipments creates major difficulties both in the material production sphere and in the life support of communities.

### Sources of the Deficiency

The currently existing allocation system for supply support does not provide for the rational use of petroleum product and even winks at large-scale squandering of it. It is precisely this scandalous wastefulness that is causing the constant shortage of petroleum fuel. Let us look at the facts.

According to data from checkups made by petroleum inspectorates in the first half of the year, 60 of the republic's enterprises, motor pools, kolkhozes and sovkhozes are overconsuming 1,660 tons of gasoline and diesel fuel. During the sowing campaign and harvesting work, bulk plants were compelled to release fuel to kolkhozes and sovkhozes that greatly exceeded the stocking schedules.

But here is what is typical: out of 60 customers checked, 32 were caught in illegal marketing of petroleum product. "They had sold 'on the side' more than 700 tons of fuel. The farms of 15 rayon agroindustry associations burned more than 1,100 tons of motor-vehicle fuel in their boiler rooms.

Why did all this become possible?

The fact is that the actual customers themselves now establish fuel-consumption norms, and for each farm the norms are their own. And since the cost of petroleum product is not great, the specific consumption norms are deliberately overstated. No norms at all exist for many types of transport at motor-transport activities and industrial enterprises. These motor vehicles and tractor equipment are used basically for subsidiary or auxiliary work. As a rule, no one is setting norms for the amount of such equipment at enterprises—what there is is what they need. The situation is well known: **In practice, every other motor-vehicle does not go out on the line. But they receive fuel for the whole fleet!**

The matter of accounting for and monitoring fuel consumption is not handled well. Let us consider just one case. About one-third of all private motor-vehicle transport is in rural localities, where the AZS [filling station] network is not well developed. It is not difficult to guess what kind of fuel such transport runs on.

#### 600 Revisions

Tatariya is an oil republic, more than a third of a billion tons of valuable hydrocarbon raw material are being recovered at its oilfields. It is well known how the "black gold" is obtained, especially now, when the main reserves have already been taken. The prime cost of a ton of crude in the country has risen almost five-fold since 1965, but the price, for example, of gas oil has only doubled since then. [bold]Farms are paying only 66 rubles per ton of diesel fuel, why not burn it in their boilerrooms? Indeed this is cheaper than firewood, which costs 10 rubles per cubic meter!

We have calculated what proportion petroleum fuel occupies in overall production costs of our main customers. It was found that it is about 5-8 percent in the prime cost of agricultural output. And yet Tatariya's agroindustry consumes about half of all light petroleum product. For Tatavtotrans [Tatar Motor-Vehicle Transport Association] the prime cost per ton-kilometer of fuel is only 12 percent, while, for example, it is less than 9 for the Bugulma Motor Pool of Tatneft [Tatar Oil-Recovery Association]. Is it worthwhile here to save? Besides, overconsumption does not stretch the farm's pocket very much, and the same goes for the cost of fuel consumed above the allocation.

This is why we consider that converting to wholesale trade in petroleum product is possible only where prices are reformed simultaneously.

An essential prerequisite for normal functioning of the wholesale trade system is conversion of RSFSR State Committee for Supplying Petroleum Product and its regional subunits to the principles of self-sufficiency and self-financing. Goskomnefteprodukt is still operating on the basis of uncoordinated and frequently contradictory

instruments and standards, short-range plans and, most often, strong-willed decisions. As a result, the petroleum-product traffic is unforeseeable. Judge for yourself.

The regional administration establishes the plan for bringing resources to the bulk plants, the plan for delivering petroleum product to customers, and the plan for sending resources to other regions, the plan for deliveries to customers being delivered to the administration by the quarter, the plan for shipments to other regions being delivered monthly.

But even these tasks are changed during the month, in regard to both amounts and customers. For example, last year fuel had to be sent not to the Volga region but to the Urals, the West Ukraine, Belorussia and the Baltic region. In so doing, the plan indicators on outlays for turnover and profit were not always revised accordingly, causing the results of economic activity to be poorly reflected.

The situation is about the same with planning deliveries. In 1986 we had to make about 1,000 changes in allocations, this year more than 600. Each change introduces disorganization into the work, and the amount of work by the bureaucracy snowballs.

None of this strengthens allocations discipline or stimulates fuel savings.

But matters are going worse in planning the importation of resources for the administration's bulk plants and in realizing these plans. In order to supply the customers with petroleum product rhythmically and in accordance with the allocations, we should receive the resources on time and in the full amount. This would be done more simply on the basis of long-term contracts with the supplying refineries. Right now importation is planned by RSFSR Goskomnefteprodukt for each month. Frequently these plans do not cover our requirements in accordance with the allocations for the enterprises, and the shortage is not made up in ensuing months.

Thus this year the plan's shortfall in allocation of resources for gasoline deliveries was 10 percent for the administration. Meanwhile the planners must consider the fact that, for purposes of stable operation of the economy of a region, the bulk plants should have a definite fuel reserve.

#### What the Incentives Are Pushing For

The responsibility of the bulk plants and the regional administration as a whole for meeting the plan for deliveries is linked to a rigid statute on bonus awarding. If the plan for delivering petroleum product is not carried out for even one of the 14,000 customers and for one of 200 line items, the collectives are deprived of the bonus by 100 percent. It would seem that the statute contradicts the overall task of saving resources, since it stimulates fuel deliveries in the full amount even to those

customers who do not require it at a given moment and to those who commit gross violations in its utilization, at a time when stricter terms for deliveries should be established for them.

The capitalization indicators for Goskomnefteprodukt subunits are the plan for deliveries and the plan for outlays for turnover. However, in practice, the plan is pure formality. The actual allocation of material incentives is formed each year within a limited range—regardless of either the manning or the volume of operations or of new tasks.

For example, during the 12th Five-Year Plan we have been given a new plan indicator—retail turnover, which reflects cash sales of petroleum product to the populace at filling stations. The administration has made efforts to develop the AZS network for serving the populace. The number of filling stations has increased 1.5-fold over 1985, and the retail turnover has doubled. And what has this yielded? Not a thing! Not a kopeck for the collective has been deducted into the material incentive fund. On the contrary, our opportunities for incentives have even been decreased. Worker manning of the bulk plants has increased with introduction of new AZS's for serving the public, and the material incentive fund has been reduced by an estimated 10 percent in comparison with 1984. Moreover, the administration has not even been provided fully with a wage fund for the AZS's introduced.

What is happening? If the plan for deliveries is not fully carried out in accordance with the contracts concluded, it makes no sense to the bulk plants to carry out the retail turnover plan, build new AZS's, and organize their operation. A similar situation is now being created also in organizing at filling stations shops for servicing personal cars. This is a completely new area of activity for the bulk plants, which, again, is not being given incentives.

#### The Production-Equipment Base

The currently existing activity of the regional administration began to take shape back in the 1920's, basically spontaneously, under the influence of such a factor as the development of transport arteries for the importation of fuel resources. In recent decades the bulk-plant activity has lagged behind the economy's needs: a common tendency for a disdainful attitude toward the development of nonproductive sectors and infrastructure has been manifested. Today the bulk-plant activity is equipped with the most obsolete power and operating equipment. The rebuilding of many docking structures and railroad loading platforms is required, and automation and communications equipment and automated systems for real-time reporting and monitoring of the movement of petroleum product and for mechanizing commodity-transport operations are lacking....ba

Technical backwardness is being felt especially severely at AZS's which do not have reliable equipment that will enable the fuel in tanks to be measured, taking into account the effects of temperature and other physical parameters. In order to determine the gasoline level in reservoirs, the measuring rod, an invention of the distant past, is being used.

Domestic fuel-dispensing pumps yield great error in recording the fuel dispensed. Such operations as pouring fuel from tank trunks and the cleaning and calibration of tanks have not been completely mechanized, and the dispensing and recording of petroleum product have not been automated.

Technical backwardness is the subject of repeated discussions at various conferences. But the situation changes slowly. Industry is not mastering the output of equipment and instruments that meet modern requirements. Retail purchases abroad cannot resolve the problems. Large-scale solutions are required.

It should be noted that the existing AZS network comprises only a small portion of the actual requirement for AZS's. In the Russian Federation there are a few more than 5,000 stations. According to the specialists estimates, in the next 7-8 years their number will increase to almost 50,000. However, the task is being resolved unsatisfactorily. RSFSR Goskomnefteprodukt subunits are allocated extremely little capital investment for these purposes—for our region, for example, enough for the construction of 7-8 AZS's per year is allocated versus a requirement for 60-70.

A decision was adopted back in 1983 which requires all motor-transport enterprises that have 150-200 or more units of rolling stock to construct departmental filling stations, a move that would sharply reduce empty runs—trips for refueling. However, such AZS's have become more the exception than the rule. In Tatarstan, for example, only 16 out of 86 large motor pools have built their stations.

The selection of optimal schemes and resources for transporting petroleum product from the producing enterprises to the consumers will be of great importance under full self-sufficiency and self-financing for the petroleum-product provisioning system. Economy and rationality still have not been taken into account in solving responsively the problems of shipping fuel. Up to 70 percent of all the outlays for turnover today is spent on transporting GSM's [fuels and lubricants]. In our region these costs were 2.92 rubles per ton in 1986 versus 1.03 rubles in 1981. One of the causes for worsening of the indicator is the unsatisfactory development of pipeline transport. That which has been built is being used poorly. In our region, the total capacity for petroleum

product is numbered in millions of tons per year. Meanwhile, in 1985 the actual volume of pumping over was only 176,000 tons, and today it is not much more. The Gorkiy-Almeteyevsk product pipeline is loaded up only... percent.

Thus 76 percent of all haulage is being accomplished by rail. The difficulties that arise from this are well known. Less well known is the responsibility which the operators of the subunits bear for poor organization of the work.

#### For a New Organizational Structure.

The existing structure of the territorial administration and its subunits, the staffs, the level of worker qualification, and the pay system prevailed also during the period when bulk plants were performing a single function, that of supplying petroleum product for enterprise warehouses. During recent five-year plans conditions have changed: the number of customers has risen sharply, the relationships with them have become complicated, the mix of petroleum product has increased, and bulk-plant functions have been expanded.

Today the plants are compelled to rebuild production facilities and to build new ones, to develop retail turnover, to introduce progressive equipment, and to solve social problems. Such a volume and diversity of operations are within the powers only of large associations which are assigned specialized subunits that have the appropriate equipment base, personnel and social infrastructure.

In our view, the basic element in the system of petroleum-product provisioning should be a multiple-sector production association to which will be subordinated large interregional subunits, a technological transport administration, a central base for operating servicing

and for the repair of the operating equipment, a construction-repair administration, a data-processing center, and a design-development office. The necessity for concentrating operations is illustrated at least by this example.

More than 20 percent of all expenditures on the haulage of petroleum product goes to motor-vehicle transport, although only 13 percent of the transport volume falls on it. So it is desirable to create within the association a specialized enterprise for technological transport, transferring to it all tank trucks of large-capacity and refueling tank trucks, which are now dispersed throughout hundreds of enterprises and organizations of various agencies. The centralization of these vehicles will enable a unified technical and commercial policy to be followed, the effectiveness of their use to be raised, and transport outlays to be reduced.

In conclusion I would like to say the following.

Today in the petroleum-product supplying system there is no economics. There is only an appearance of planning and an appearance of incentives. There are no substantiated standards, and the existing markups and rebates from wholesale prices for petroleum product do not at all motivate an effort to raise the operating level.

In our view, a complete restructuring of the economic foundations for the economic activity of the petroleum-product provisioning system on the basis of self-sufficiency and self-financing is required.

It seems to us that the creation of such an economic mechanism within the system for supplying materials and equipment, particularly in petroleum-product provisioning, should be started simultaneously with preparation of the basic production elements for conversion to full self-sufficiency and self-financing. Unfortunately, we in the field do not participate in such preparations. And this is a departure from the complexity of the economic reform being conducted.

11409

**Examination of Infrastructure in Siberian Regions**  
18280011 Moscow *IZVESTIYA AKADEMII NAUK SSSR: SERIYA EKONOMICHESKAYA* in Russian No 5, Sep-Oct 87 pp 93-102

[Article by B. N. Khomelyanskiy: "Present-Day Condition and Developmental Prospects of the Social Infrastructure of the Siberian Region"]

[Text] The article substantiates the need for target-program planning of the social development of regions, analyzes the strategy of the dynamic change in the social infrastructure of the eastern rayons, and studies the present-day condition and the tendencies for equalizing the regional differences in the workers' standard of living. It considers the possible directions to be taken in improving territorial planning.

The reproduction processes that occur in socialist society find concrete expression in national-economic planning. The CPSU economic strategy for the 12th Five-Year Plan and for the more remote future stipulates the attainment of a qualitatively new level of prosperity for the workers, the guaranteeing of that level and a structure of consumption of material, social, and cultural blessings which will correspond in the greatest degree to the goals of forming a harmoniously developed, spiritually rich individual. In the Political Report of the CPSU Central Committee to the 27th CPSU Congress, M. S. Gorbachev emphasized, "If we succeed in causing a decisive turning point in the social sphere, many of today's problems, as well as many of tomorrow's, in our life will be resolved much more rapidly and much more effectively than previously" [3:54].

The fulfillment of these tasks is promoted by social programs for regional development.

**Social aspect of national-economic planning.** The indicators of the absolutely fundamental goal of socialism — the satisfying of the workers' material and spiritual needs — are contained in the appropriate sections of the current and long-range plans: "Raising the Standard of Living," "Industry," "Agriculture," "Labor and Cadres," etc.

The present-day planning methodology, which is based on this approach, has, in our opinion, two substantial shortcomings: the limited possibility of the branch use of resources for social purposes, and the indefiniteness of the comprehensive evaluation of the final social results.

At the current stage, the socializing of production has reached such a high level that the global socioeconomic problems can be resolved only by uniting the various types of activity within the confines of a single social goal.

Many scientific collectives have been fruitfully developing the target-program approach to the planned resolution of the vitally important socioeconomic tasks. This

has predetermined the necessity of resolving complicated socioeconomic problems, which reflect the specifics of the social development in the territorial aspect, as well as the structural correlations that have developed among the specialized branches, and the specifics of the production and social infrastructure. Comprehensive target programs, as an inseparable element of target-program planning, are becoming the economic instrument of efficient forms of management.

Upon closer examination, a target program can be treated as a process of integration of the material, labor, and financial resources that are necessary for carrying out the very important planned measures. Unlike the traditional planning methods, in which the item that acts as the point of departure is the volume of output (the social results are taken into consideration only in the final result), in target-program planning the social goal acts not only as an overall orientation market, but also as a specific condition for achieving the determining, flexibly outlined target. In the comprehensive programs one can trace in a very definite manner the directedness of the planning toward the simultaneous resolution of a broad number of tasks that are of an interbranch, interdepartmental, and long-term nature. Target-program methods do not oppose, but, rather, promote the improvement of the practice of socialist planning.

Today's social-development plans encompass an area no larger in size than an oblast or an autonomous republic. And yet the territorial-production complexes unite several oblasts, which frequently are characterized by the disconnected nature of the resources that have been involved in economic turnover, by the low population density, and by the fact that the territory has been insufficiently assimilated from the point of view of its transportation needs. In target-program planning, the prospects for the progressive change and the balanced development of the regional economy are resolved from positions of achieving the final results in conformity with the national-economic and territorial needs.

The formation of regional programs was necessitated by the need to take into consideration the complicated, vitally important problems that reflect the certain contradiction in the territorial aspect of social progress. "According to Marx," V. I. Lenin wrote, "the geographical environment exerts an influence upon man through the medium of the production relations that arise in the particular locality on the basis of the given productive forces, the first condition for the development of which is the properties of that environment" [2].

The distribution of natural resources is determined by the laws of nature, whereas the placement of production and the population depends on the action of the laws of social development. Frequently there arises the economic and demographic situation in which the concentration of the natural wealth and the labor resources does not coincide, and this is most typical of the country's eastern rayons.

At the present time as much as 75-80 percent of the need for various types of fuel and electrical energy is the share of the European part of the country, whereas three-fourths of the country's coal balance and two-thirds of the hydroelectric resources and natural gas are concentrated in the eastern rayons. By providing for more than 90 percent of the country's increase in fuel production, these rayons have become a leading link in the national-economic fuel and energy complex. The annual gas production in Siberia per worker is approximately 9 times greater than in the European part of the country: petroleum, 5 times; and coal, 2.5 times.

With the overall directedness of the change in the territorial structure in the volume of industrial production to the advantage of the eastern rayons, the greater intensity of the shifts in the spatial distribution in the 1970's and early 1980's is typical of the branches of the extractive industry, which played a decisive role in reinforcing Siberia's economic positions. In the 1970's the index of outstripping of the growth rates of gross output constituted for Siberia and the Far East, as compared to the western rayons, 1.55, including 1.8 in the extractive and mining industry [5]. In addition to the positive factors in the territorial change of material production, one cannot fail to note a reduction on the whole of the "shifts to the East," and, as their result, the slowing down of the developmental rates of the social infrastructure. The 12th Five-Year Plan stipulates, in addition to the accelerated rates of formation of the West Siberian, Kansko-Achinskiy, Sayanskiy, South Yaku-tian, and other territorial-industrial complexes, the task of "striving for the outstripping growth of the branches of the production and social infrastructure" [3:317].

**Strategy of the social development of the eastern rayons.** The regional programs are of a comprehensive nature, since they unite not only individual branches, but also all the basic aspects of the territorial economic system — the production and social infrastructure, settlement of the population, and the protection and reproduction of the natural environment. The implementation of the principle of comprehensiveness intensifies the functional approach to regional planning. An example can be provided by the "Siberia" superprogram, which includes many target programs, including "Social development and raising the standard of living of the population of Siberia" (scientific leadership carried out by Academician T. I. Zaslavskaya). Its initial assignment reflects the goal of achieving a dynamic change in the territorial-economic structure, it defines the scope of the necessary resources, and indicates the time limits for achieving the intermediate and final results.

A peculiarity of the regional program for social development consists in the fact that the program must be correlated with the overall program for the economic change of the region, and also with the nationwide assignment for raising the national well-being. The regional comprehensive target program must be viewed from the positions of also achieving local fundamental

goals: the creation in the region of the most favorable conditions for increasing labor productivity and intensifying the personal factor of production; the considerable raising of the workers' material and cultural standard of living; the improvement of the mechanism of the functioning of the region as a single socioeconomic complex.

When the comprehensive social program was being prepared for the eastern rayons, consideration was taken of certain specific attributes, primarily the fact that the importance of the region when resolving the fundamental problems of the country's long-term development who increase systematically. Under present-day conditions and in the foreseeable future, it is not correct to make abstractions from the natural-climatic, sociodemographic, and historic differences that exert a substantial influence upon the population's needs and the opportunities to satisfy them realistically.

In a socialist society, naturally, there can be no special regional social problems that differ from the problems of the country as a whole. But the range of their seriousness and the persistence of their resolution over the territory of the country nevertheless are extremely substantial. In the statement made by M. S. Gorbachev during his trip to Siberia, it was noted that, "...everyone knows — and this is one of the chief lessons learned from the assimilation of Tyumen — that the Siberian living and working conditions are special ones, and we attempt to take that into consideration in our social policy... Consequently, it will continue to be necessary in the future, in Siberia and the Far East, to increase the amount of housing construction, to improve the supplying of the population with food products and consumer goods, and to develop the sphere of services, public health, and education. This will, of course, require manpower, it will require funds, and it will require time. But Siberia must become not only a construction site, not only a production shop. We must all remember that if this vast land is not made a convenient place for people to live, then all our plans will simply remain on paper" [4].

The priority nature of the socioeconomic development of the eastern rayons is reflected in the party's keynote documents. "A component part of the party's economic strategy has been and continues to be the accelerated development of the productive forces of Siberia and the Far East. When new rayons are being assimilated," the CPSU Program emphasizes, "a factor of special economic and political importance is the strict guaranteeing of the comprehensive resolution of the production tasks and the development of the entire social infrastructure in the interests of improving people's working and living conditions" [3:146].

The factors that become the initial ones in social programs are primarily the dynamic change and the complete intensification of material production. The basic goal of Siberia's dynamic development must be organically linked with the socioeconomic progress of the

entire country with the optimal functioning of the intra-rayon economy. This goal has been called upon to become the pivotal idea that determines the specialization of the rayon and the attainment of the efficient proportions of the regional reproduction process, and to serve as the point of departure for logical unity in the formation of the "goals tree."

The necessity of the development of production acts as a factor that determines the possibilities of satisfying various social needs. But the achieved level of production also poses the limitation of the rise in the national well-being.

A modern tendency is the intensification of the dependence that material production has upon the degree of development of the branches and institutions that immediately satisfy the workers' social and spiritual needs. The profitability of the regional economy is organically linked with the size and quality of the functioning of the system of education, public health, and organized recreation of the workers, with preschool educational institutions, housing construction, and all the links of the social infrastructure.

With a consideration of the specific conditions of the eastern rayons, the "Siberia" comprehensive program is typified by a labor-saving policy with an orientation toward the minimal additional involvement of the population; the introduction of progressive technology and technological schemes that guarantee accelerated growth rates for labor productivity; the outstripping scope of the formation of the infrastructure, primarily the system of social and personal services. In rayons of Siberia and the Far East the manpower shortage is influenced not so much by its absolute insufficiency (although the rayons of pioneering assimilation definitely require additional labor resources), as by its inefficient movement. Personnel turnover is caused by the social and everyday differences between the eastern rayons and the territories that are the sources of providing them with new personnel.

Population migration is a kind of barometer that makes it possible to establish whether the capital investments are being distributed correctly between material production and the branches of the social infrastructure. If the necessary optimizing of the proportions has not been achieved and, as a result, the development of the social sphere is lagging behind, the tendencies in the interregional redistribution of the population will not correspond to the planned changes in the territorial division of labor, and this will inevitably retard the implementation of the program for the efficient placement of production.

A considerable exodus of the population from the eastern rayons was observed in the 8th and 9th five-year plans. In 1976-1982 the migration balance in Siberia took a positive swing. The growing need for personnel in Siberia cannot be covered by relying on internal resources, and therefore there will continue to be a need in the

future not only to stabilize the local population, but also to assure an additional influx of workers. In the 1980's and 1990's the task of reinforcing the positive shifts in the migratory volume will remain a vitally important one.

For a prolonged period of time, the providing of material incentives acted as the basic lever for controlling the migratory processes, but its influence is becoming substantially weaker. The problem of regulating the population migration consists not only in the attracting of manpower, but also in reinforcing (stabilizing) it is the rayons with insufficient labor. In the first stage of the resolution of this problem, the highest level of monetary income serves as a sufficiently reliable incentive for regulating the movement of the labor resources. The acclimatization of the population and the degree of the intensity of its participation in the production process (second stage) depend to a considerable degree upon those living conditions that are created by the projects in the social infrastructure. As has been attested to by numerous surveys, dissatisfaction with living conditions and with the level of the cultural, personal, and trade services provided are the main reasons for the migratory exodus of the population.

Sociological research carried out by scientists at IEiOPP [Institute of Economics and the Organization of Economic Production], SO [Siberian Department], USSR Academy of Sciences, has shown that the reasons given for the potential migration of the rural (1982) and urban (1984) population are chiefly linked with the insufficiently developed social infrastructure. This reason was indicated by no less than one-third of all the persons surveyed. The forecast balance of labor resources confirms that Siberia's national economy will continue in the long term to feel a manpower shortage. This will undoubtedly have an effect upon the development of the economy in Siberia and its individual rayons. The stabilization of the population in Siberia is not a goal in itself, but is dictated by the need to maintain high rates of development of production. For certain territorial complexes, the problem of bringing in the population and stabilizing it can take on independent importance and can act as a factor that encourages the development of productive forces. The rise in the population's standard of living in the Siberian region largely transcends the framework of a purely regional problem and is closely linked with very important aspects of the social and economic development of the country as a whole.

The problem of eliminating the gap in the standard of living between the European rayons and the eastern ones is not a new one. Attention was directed during the previous historical period to the need to resolve this problem. During the past 15 years the working and everyday-living conditions in Siberia improved considerably, and there has been a rise in the population's standard of living. Judged on the basis of the rise in per-capita income, retail commodity turnover, and a number of other indicators, Siberia is outstripping the republic level as a whole.

The content of the concept "equalization of the standard of living" should not be treated in a simplified manner, as the attainment of equal indicators in all production spheres, as the mechanical establishment of identical parameters without a consideration of their economic results. The rise in the workers' well-being must eliminate the substantial deviations in the development of material production and the social infrastructure, with the optimal rise of the country's economy as a whole.

Many problems in the eastern rayons continue to be unresolved because of the insufficient nonproduction capital investments, as well as their incomplete use. For a number of very important social indicators, the standard of living of the population in Siberia remains lower than in the western regions of the country [footnote 1]. New, rather complicated socioeconomic problems have arisen, and they require immediate resolution. A factor that is becoming one of the definite requirements for the effective implementation of the social programs for regional development is their comprehensive nature.

**Dynamics of change in the social infrastructure.** The social infrastructure is an informal, integrated object of territorial planning, the links of which are not interchangeable. It is correct to assert that comprehensiveness in the regional change of the social infrastructure must be absolute, whereas in material-substantive production it must be relative. In the comprehensive regional programs, the object mentioned is viewed as a large block that guarantees the equalization of the conditions for the formation of the socialist way of life. The recognition of the social infrastructure as an independent object of planning and administrative activity and the determination of the degree that a given subsystem exerts an influence upon the effectiveness of social production are a substantial prerequisite for improving the methodology of national-economic planning.

The indicators of the level of consumption in the territorial comprehensive programs are developed both for the population as a whole, and for individual social groups (the urban and rural population), and in a number of instances for families with a different income level.

When considering the problems of developing the social infrastructure in the eastern rayons of the country, one must note the achievements that exist there. During the years of the 9th through the 11th five-year plans, the standard of living of the population in Siberia rose considerably. The payment of labor in material production increased at outstripping rates, as compared with other rayons in the country. During 1970-1982 the monetary income per capita of population in Siberia rose by a factor of 1.7-2. There have also been successes in the resolution of the housing problem. In most rayons in Siberia, the specific indicator for activation of housing is higher than the average for the RSFSR, and that made it possible to increase the amount of allocated space per inhabitant to increase by a factor of 1.6 as compared

with 1965 [6]. Successes have been achieved in the providing of cultural, personal, and medical services to the public. Judged on the basis of certain substantial indicators for the development of the educational system (general, secondary special, and higher education), Siberia not only is not lagging behind the western rayons of the country, but in a number of instances is surpassing them.

Of all the links in the social infrastructure, the one in which the rates continue to attract the most careful attention is housing construction. Actually, "the manner in which the workers' need for housing is satisfied can serve as a gauge of the manner in which all their other needs are being satisfied" [1].

During the past 20 years the housing fund in Siberia has increased by a factor of 1.9. At the end of the 10th Five-Year Plan, the average amount of housing space in West Siberia reached 12.5 square meters and in East Siberia 11.6 square meters; these figures, respectively, constituted 92 and 86 percent of the average amount of housing for the republic as a whole. But in six areas (Tuva and Buryat ASSR, Krasnoyarsk Kray, Tomsk, Tyumen, and Chita oblasts) the amount of housing provided, as compared to the average indicator for the republic as a whole, approached only 74 percent. The qualitative parameters of the housing fund are at a lower level. Computations attest to the fact that the average annual rates of increase in the providing of housing to the public during the years of the 8th through 11th five-year plans (1-1.2 square meters in the cities and 0.9-1.1 square meters in the villages) do not make it possible to overcome Siberia's substantial lagging behind, much less any outstripping development. Increased rates of housing growth, as compared with the average rates for the republic, were observed only during the years of the 8th Five-Year Plan, and only in West Siberia. During the subsequent five-year plans the rates of the absolute increase in housing dropped considerably. The basic reason for this situation lies in the fact that, because of the weak construction base, the allocated capital investments for housing construction are not being used completely. This pertains not only to housing, but also to other items in the social infrastructure. Consequently, there must be a simultaneous buildup of the resources of the social infrastructure and the construction industry.

The improvement and equalization of the level of provision with housing cannot be limited to the rise in the per-capita norms for the housing area and the amenities of apartments. The present-day treatment of the need for housing presupposes the satisfying of an entire series of the population's needs which include the provision with housing, cultural, personal, and municipal services, and transportation, the circulation sphere, the communications, etc., that is, that which has been given the name "the quality of the environment."

According to computations made by economists, in order to achieve in 1990 a rate of provision with housing that is close to the average nationwide norm, and to achieve a corresponding rise in the level of development of the social infrastructure, it is necessary to invest in Siberia's nonproduction sphere approximately 43 billion rubles, distributing the capital investments in housing and in the services sphere in a ratio of 70 : 30. These capital investments exceed by a factor of 1.7 the appropriations for the activation of housing and for the building of structures intended for social and personal-services needs that were actually made during the years of the 10th and 11th five-year plans.

Today there continues to be a gap in personal services, and in the offering of paid services in the eastern rayons as compared to the average indicators for the republic as a whole. One sees the manifestation of undesirable aspects in the processes that are occurring. Whereas in 1970 the level of the per-capita consumption of paid personal services in West Siberia as compared to the average for the republic came to 89 percent and that in East Siberia, 95.6 percent, in 1983 the figures were, respectively, 93.9 and 93.3 percent [7].

In the social regional programmes, the primary importance belongs to the public health system. The program has been called upon to guarantee the expansion of the material base in public health and the improvement of the placement of its institutions on the territory of the region; the bringing of the level and quality of the medical services provided in rural localities closer to the conditions in the city; the providing of medical institutions with physicians; and the improvement of the quality of the medical services provided to the public.

During the years of the 11th Five-Year Plan, public health in Siberia developed at slower rates than in the European rayons of the country. The rate to which the public in West Siberia was provided with hospital beds, as compared with the average republic level, in 1975 was 6 points higher, and in 1984, 4 points higher. The average area per hospital bed approached 4 square meters, that is, 54-57 percent of the scientifically substantiated standard (for RSFSR, 60 percent).

A matter of special importance for Siberia is the development of a network of children's preschool institutions. At the present time the rate of provision with them is already at the average republic level. However, the younger age of the population in Siberia is one of the factors influencing the increased demand for the corresponding social institutions. The need for day-care centers in the eastern rayons is greater than in the central rayons by a factor of 1.5-2. The shortage of children's preschool institutions creates additional difficulties in involving unemployed women in social production. As a result, in Siberia the share of unemployed women having children younger than 7 years of age is almost twice as high as in the European rayons of the country [8].

One does not observe any positive shifts in reducing the gap in the rate to which children are provided with places in preschool institutions. Moreover, whereas in the previous five-year plan East Siberia did not lag behind the average republic indicators, in 1984 the gap there reached 62 per 1000 children, and in West Siberia, 91 places. The situation is aggravated by the fact that in the eastern rayons the birth rate is higher: in the RSFSR it is 16 per 1000, and in the eastern region, 19.

In the development of the system of education and culture, the eastern rayons have achieved the most noticeable successes, although far from all the problems have been resolved. The level of education as a qualitative attribute of the worker changes depending upon the specific conditions of social progress. In the educational sphere the intellectual potential of society is formed for the next 20-30 years. It is precisely from these positions that it is necessary to view the present-day state and the tendencies for change in the territorial parameters of the infrastructural links that were mentioned. Whereas in 1975 the number of students in institutions of higher learning in West Siberia, as compared with the average indicators for the republic as a whole, came to 100.1 percent and in East Siberia, 89.1 percent, and the number of students in secondary special institutions in those regions was 100.7 and 100.6 percent, in 1984 the figures respectively were 103.7 and 95 percent; and 96 and 100.5 percent [7]. In the higher educational sphere, during the past decade there have been, as we can see, positive shifts, but in the secondary special sphere, on the contrary, one saw the manifestation of negative factors.

The acceleration of the rates of development of higher and secondary special education will make it possible more intensively to saturate the national economy of the eastern rayons with workers with higher and secondary education. In West Siberia, as compared with the average republic data, the rate to which the economy is saturated with specialists with higher and secondary special education is higher, although the gap in the degree of provision with those specialists (per 10,000 persons) is not decreasing and has even risen somewhat: +131 in 1975 and +70 in 1984. The rate to which the national economy is saturated with specialists with higher and secondary specialists in East Siberia is lower than the average republic level: -127 in 1975 and -90 in 1984 [7]. With the systematically increasing importance of the eastern rayons in the formation of the country's economic potential, it is necessary not only to assure the additional attraction and permanent assignment of specialists, but also the acceleration of the growth rates in the special educational system.

With regard to the number of club institutions and motion-picture projectors and the number of magazines and books in libraries per capita of population, the rayons of Siberia are either under more preferential conditions than the average for the republic, or are coming noticeably closer to them, although during the

past decade one has not sensed here as well any noticeable shifts in the consolidation of the previously achieved results. With the average population density in the RSFSR of 8.4 persons per square kilometer (as of 1 January 1986), the population density in the West Siberian region constitutes 5.8, and in the East Siberian, 2.1. With the approximately equal or even the frequently preferential development here of the branch social infrastructure, a definite segment of the population, practically speaking, can take no advantage of the services provided by the cultural and personal-services institutions. In Siberia, as a consequence of the fact that the inhabited points are dispersed over the territory and the population density is low, there is a greater need for transportation services and for higher norms in medical and personal services. The objectively higher needs are partially reflected in the increased norms for efficient consumption, in the normative budgets for the population, and the cost of living indexes that are developed by the scientific-research institutes. In terms of the corresponding population (per 10,000 persons), the variations between the rayons of RSFSR in the consumption of the services provided by the social infrastructure unsubstantial (plus or minus 10 percent). With a consideration of the size of the territory, the range increases considerably. When comparing, for example, the West Siberian Region and the Central Chernozem Region, the rate of variations for schools constitutes 1 : 10; hospital beds, 1 : 7.5; the number of doctors, 1 : 7.2; clubs, 1 : 13.6; and movie projectors, 1 : 9.5. The minimum excess is 7.2, and the maximum, 13.6 [7]. We might note, however, that in the eastern rayons, tremendous northern territories are typified by low population density. But in any instance the development of scientifically substantiated standards requires the consideration of the regional specifics.

In order to evaluate the social infrastructure, certain economists propose a comprehensive indicator for the average level to which the public is provided with the services of public health, education, cultural services, children's preschool institutions, and housing, which indicator is viewed as one that is mean-weighted from the coefficients of the rate to which the public is provided with various types of those services with respect to the standards. Computations by this method have shown that the coefficient of the rate to which the public of Tyumen Oblast was provided with services of the social infrastructure came to only 0.79 of the necessary rate of provision in accordance with the standard. The average value of the comprehensive indicator of provision with projects in the social infrastructure for the petroleum-gas zone of West Siberia was only 0.61, and for most of the cities in the Central Ob area, 0.53. One observes an even lower level of development of institutions in the social sphere in the newly developing city of Novyy Urengoy, where the mean-weighted indicator of the rate to which the public is provided with services of the social sphere does not exceed 0.43 as compared to the accepted standards for urban planning.

When planning the further development of the social links of the national-economic system, it is necessary to

use the normative approach, rather than the method of proceeding "from what was achieved," which is chiefly used in national-economic practice. The normative approach serves to determine the purpose of planning, by means of the gradual approximation to the efficient level, which changes from the lower to the upper value in the dynamics of the computed period. When developing the regional norms for the social infrastructure, it is necessary to take into consideration a circumstance of primary importance: the degree to which the population has become acclimated depends not so much upon the absolute extent of the consumption of commodities and services as it does upon the exceeding of the indicators on the particular territory as compared with other rayons, especially with places from which the migratory population has come. The territorial planning of the standard of living presupposes the creation of conditions for the approximately equal degree of satisfaction of the socioeconomic needs, for the guaranteeing of the normal reproduction of the manpower and the taking of all steps to develop the individual, the involvement of the labor resources in the economically promising rayons, and the permanent assignment of the population there [10].

According to computations, in the more remote future the eastern rayons must have:

- an average housing area per inhabitant of 15.5 square meters (16.2 square meters for persons living in separate apartments, and 8 square meters for those living in dormitories);
- preschool institutions with 79 places per 100 children of preschool age;
- schools with 100 places for 100 children of school age;
- hospital beds, at the rate of 151 per 10,000 inhabitants; etc.

Already, for example, in the BAM [Baykal-Amur Main-line] zone, the accepted normative level for preschool and medical institutions is 12 percent in excess of the average level for the republic as a whole. In order to satisfy the public's need for scientifically substantiated standards, the level of consumption of personal services, per inhabitant, is supposed to increase by a factor of 2-2.5. According to tentative computations made by TsENII [Central Economic Scientific-Research Institute], under RSFSR Gosplan, for the identical provision of the public with medical aid, the service norms in the eastern part of the country must be 30-40 percent higher than the average norms for the republics. The increased standards for developing the system of secondary special and higher education have been called upon to take into consideration not only the rate to which the economy is saturated with specialists with the highest level of proficiency, but also the future needs of the region's socioeconomic development and the need to build up the region's intellectual potential.

The comprehensive programs for the social development of regions presuppose the further improvement of the methodology and practice of national-economic planning. The slower rates of development of the social infrastructure in the eastern region, as compared with the European regions, are linked with the fact that the plans for activation of projects providing public services are regularly unfulfilled. The ministries and departments, in the attempt to support first of all the plans for production construction, frequently carry this out to the detriment of the building of projects intended for social and personal-service purposes. It would apparently be desirable in the appropriate instructional documents to envisage the increase in the responsibility borne by the ministries, departments, and enterprises for fulfilling the planned assignments for the construction of projects in the social infrastructure on the territory of Siberia, equating from the point of view of importance the corresponding indicators of nonproduction construction to the activation of projects of a production nature.

A more radical resolution of the problem would be the isolation of the infrastructural social elements in the regional economy into an independent interbranch section of the long-term plan. The financing of the comprehensive social programs should be carried out at the expense of centralized capital investments, by concentrating the currently dispersed funds for social and cultural measures and housing construction in the union-republic administrative agencies. The territorial plans have been called upon not only to summarize the branch assignments, but also to serve as an active mechanism in the efficient development of the social infrastructure.

As a consequence of the growing importance of Siberia and the Far East in the country's economy, USSR Gosplan has been given the responsibility of considering the schemes for the dynamic change and placement of the productive forces of the eastern rayons, as well as the basic economic and social indicators for each territorial-production complex, irrespective of the departmental subordination of the enterprises and organizations that are part of it. The stable outstripping development of the eastern rayons can be achieved only by implementing a comprehensive program for the socioeconomic development of those rayons. That program must be aimed at equalizing, and then at outstripping the standard of living in the rayons of Siberia as compared with the European rayons, on the one hand, and in rural localities as compared with urban localities within the rayon, on the other. In the final analysis the implementation of the comprehensive program of the social development of the eastern rayons is the consistent and long-term distribution and redistribution of some of the social resources, which distribution is aimed at creating in the region the most favorable socioeconomic conditions for the vital activity of the workers.

#### Footnote

1. One cannot fail to agree with the thesis that in the eastern regions "there has been a reduction (relatively) in the evaluation of the monetary income and the level of

provision with the basic material blessings, and a substantial increase in the evaluation of such components as housing with all amenities, the availability of a well-developed sphere of social-cultural and personal services, and the possibility of the meaningful use of one's free time." See: Milner, G., Gontmakher, Ye., "Prospects for the Social Development of the BAM Zone," EKONOMICHESKIYE NAUKI, No 12, 1985, p 23.

#### References

1. Marks [Marx], K., Engels, F., "Soch." [Works], 2nd ed., Vol 2, p 302."
2. Lenin, V. I., "Poln. sobr. soch." [Complete Collected Works], Vol 29, pp 456-457.
3. "Materialy XXVII syezda KPSS" [Materials of the 27th CPSU Congress], Moscow, Politizdat, 1986.
4. Gorbachev, M. S., "Uverennaya postup Sibiri" [Siberia's Confident Step], Moscow, Politizdat, 1985, p 18.
5. "Struktura narodnogo khozyaystva v usloviyakh intensifikatsii ekonomiki" [Structure of the National Economy Under Conditions of the Intensification of the Economy], Moscow, Nauka, 1986, p 259.
6. Trofimov, V. A., Khokhulina, L. A., "Standard of Living of the Population of Siberia as Compared With Other Regions of the RSFSR," IZV. AN SO AN SSSR. SER. EKONOMIKA I PRIKLADNAYA SOTSILOGIYA, 1985, Publication 2, No 7, p 53.
7. "Narodnoye khozyaystvo RSFSR v 1975 g." [RSFSR National Economy in 1975], Moscow, Statistika, 1976, pp 362-363, 408-409, 427-430, 454-457. "Narodnoye khozyaystvo RSFSR v 1983 g." [RSFSR National Economy in 1983], Moscow, Statistika, 1984, pp 6-7, 16-17, 223-224, 253, 286-287, 290-297, 308-309, 324-327, 344-345.
8. "Sibir v yedinom narodnokhozyaystvennom komplekse" [Siberia in the Single National-Economic Complex], Novosibirsk, Nauka, 1980, p 74.
9. "Sotsialno-ekonomicheskiye problemy Sibiri" [Socio-economic Problems of Siberia], Novosibirsk, Nauka, 1986, pp 11-12.
10. "Metodicheskiye ukazaniya k razrabotke planov ekonomicheskogo i sotsialnogo razvitiya avtonomnykh respublik, krayev, oblastey i otdelnykh respublikanskogo (RSFSR) podchineniya" [Methodological Instructions for Developing Plans for the Economic and Social Development of Autonomous Republics, Krays, Oblasts, and Branches of Republic (RSFSR) Subordination], Moscow, Ekonomika, 1978, p 205.

COPYRIGHT: Izdatelstvo "Nauka", Izvestiya AN SSSR, seriya ekonomicheskaya, 1987.

5075

**Development of Infrastructure, Manpower in Far North Studied**

18280009a Moscow *IZVESTIYA AKADEMII NAUK SSSR: SERIYA EKONOMICHESKAYA* in Russian  
No 5, Sep-Oct 87 pp 85-92

[Article by Ye.Sh. Gontmakher: "Development of the North: the Human Factor"]

[Text] This article examines the problems of social development in areas of the Far North. It analyzes the established practice of setting up a labor force to work in the higher latitudes. It examines the situation concerning the provision of the Far North with housing and looks at some of the institutes associated with the social infrastructure. It substantiates methods for improving the social policy applied to this region.

One of the objective trends in placing our productive forces is that of moving them to our country's eastern and northern areas. But whereas Southern Siberia and the Far East have until recently been the first areas to be developed, there has now been noticed a wide-scale advance to the near North and thereafter to the Polar Regions, as is now underway in Western Siberia. These shifts are part of a regular process, and are a response to the fundamental interests of the national economy, it being difficult to overestimate the importance of the mineral, raw material and other riches of the North.

At the same time the North is the source of serious difficulties, both regarding industrial development and human habitation. It could be said that the development of this region represents a constant but resolvable conflict between the productive forces operating and developing here and factors external to them but peculiar to the North: primarily the severe and extreme natural and climatic conditions, the remoteness from the country's principle population centers and their poor transport accessibility. These circumstances impede the development of the North and impose added demands on machinery and mechanisms as well as on people.

As for the equipment and other material elements involved in public production, this conflict is being eliminated here through the use of increasingly modern implements of labor designed for use in the North, the use of new highly productive and labor-saving production methods etc. A person's sojourn in the North should be linked first of all to the creation, for him, of comfortable working and living conditions designed to neutralize the particularly unfavorable nature of the high latitudes.

Consideration, however, needs to be given to the fact that unfavorable factors cannot be fully neutralized, either by raising wages or even by providing housing and social and cultural facilities comparable to what has been

provided in the already-settled regions. The overwhelming majority of people will feel discomfort to one degree or another in the North, particularly in the Far North. So on the one hand the national economic interest in further advancing productive forces in the North collides with those interests which relate to preserving the health of the people involved in public production in this region, as well as the family members who live with them. The health of the population must be seen as a systemic, multifunctional concept whose content can by no means be reduced to traditional medical categories and which incorporates social, economic, ecological and other components [1, p 4].

It would be a dangerous delusion to underestimate the adverse effect the North has on a human's organism and general condition. Recent medical research corroborates this. The period of adaptation to the new natural and climatic conditions is extremely complicated and unpleasant, and can last for up to 2-3 years. But no sooner has the organism adapted itself to the new living conditions than it has to stand up to increased burdens.

The most typical of the North's extreme factors are the prevalence of the cold and uncomfortable climate with its differing degree of continentality the absence, because of the alternating long nocturnal and diurnal periods of the year, of a specific-for-man photoperiodicity, the severe aerodynamic regime, the cosmic radiation and the earth's magnetic field, the high frequency of their aperiodic perturbations, the unique microelemental composition of the soil and water, the presence of natural-source infections, zoonanthropic diseases, the relatively low biogenic level of the northern landscapes with their monotonous exterior environment, the nutritional specificity etc. [1, p 7].

These factors have an extremely inexpedient effect on the health and fitness for work of the majority of northerners, particularly those who have been living in the North for 10 or more years.

On the other hand, the temper of the North is highly sensitive to anthropogenic action. Its most delicate interactions are often unable to withstand the burdens engendered by increasing mineral extraction, road construction and the building of cities and settlements. The strictest precautionary measures for limiting not only industrial construction but the length of time a person stays in the North are still necessary because of the exceptional role this region plays in purifying the air and water basins and the ozone shield of the entire Northern hemisphere.

Also, it is of no little importance that the North is the last large-scale reserve of still-untouched free territories and resources which should be developed only in appropriate instances. Over the last decade, the reservation and conservation of the Northern territories and resources has become an essential feature of the state policy of foreign countries. One third of the area of Alaska has

been set aside as national parks, preserves and other protected natural areas [2]. In order to preserve and establish natural complexes and develop scientific bases for the protection of nature, the USSR has set up a system of preserves and game refuges in regions of the Far North and in offshore areas of the country's arctic shoreline.

Moreover, it should be borne in mind that there are considerable territorial reserves in our populated regions as well. Take the Central Economic District, for example. If we exclude Moscow and the Moscow Oblast, the population density in the remainder of this district comes to only 33 persons per km<sup>2</sup>, and this has shown no increase in recent years. This is lower by a factor of 2.5 than the same index for the Ukraine and only one-tenth of this index as shown for Belgium and the Netherlands. What's more, this district's rural area has a population density of less than 10 persons per km<sup>2</sup>, and this continues to diminish. Do not these locales represent a vast reserve for secondary development as well for habitation both in the very near as well as the more distant future? It would be easier to bring these and similar territories into economic circulation than the northern territories, both because of their proximity to densely populated locales as well as because of their favorable natural and climatic conditions.

The prospects for improving matters regarding environmental protection in the country's central zone and southern area are hopeful. The gradual ecologization of production and of people's overall way of life is a trend which is actually in progress. We are hopeful that this will aid us in soon being able to avoid the danger of disrupting the ecological equilibrium of most of our country's inhabited areas.

Any intensive economic activity in the North represents an obligatory necessity, and requires that penetration into this region be limited as much as possible.

All these circumstances necessitate the development of a considered strategy, one that is thought out to the last detail, concerning man's involvement in developing the North, particularly the trans-Polar regions, so as to completely meet industry's needs for a labor force, both numerically and from the point of view of skill, while at the same time minimizing the harm done to these people by the severe (sometimes extreme) living conditions.

The implementation of this strategy begins by solving the problems associated with bringing a labor force into the North. These incoming workers must first of all possess the necessary job skills and second must have no medical contraindications to residing in the upper latitudes. It is obvious that these two requirements cannot be met without an effective system of organized recruitment of workers for the North.

The formation of labor collectives for this region has thus far been basically spontaneous: in most cases people come in independently, without having been previously selected. As a result, they often have to change their profession and must be retrained.

As has always been the case, the share of manual, heavy physical, unskilled and poorly-skilled labor is high, especially in repair and other auxiliary enterprises. As a result, five or six workers from the auxiliary sectors are needed for every worker employed in basic (primary) production [3, p 98]. At the same time, this ratio stands at 1 : 1 and even 1 : 0.5 in the foreign North, this being related to the high level at which their auxiliary sectors are automated and mechanized [4, p 26].

Much of the spontaneity associated with the formation of labor collectives is also responsible for the increased turnover in the labor force in the regions being developed, where it is 1.5-fold higher than in the central districts [5]. The labor productivity resulting from these low skill levels is insufficiently high, and hence fails to conform to the notions established prior to the relocation to the North, and wages are one of the reasons for workers leaving prior to the end of their tour of duty.

The system of organized recruitment now in effect needs to be radically restructured, and not only because it fails to meet the North's need for workers. Its quintessential flaw lies in the fact that it is oriented to bringing in stray people who often lack the specific skills needed for working in the North and who are unsuited for living and working in this region for a great many other reasons.

Obviously, this type of organized recruitment is capable of organizing only a poorly-skilled work force at a time when the effective implementation of a labor-saving policy and the widespread introduction of automation and mechanization in work require that primarily highly-skilled workers and engineering and technical specialists be brought to the North.

Candidates for relocation to the northern latitudes are sometimes not given even the most elementary medical examination.

All these and a great many other cases are leading to unjustifiably high numbers of workers and other people living in severe Northern conditions.

An organized system for recruiting workers should ensure a full flow of workers into the areas of the Far North and other such areas. We would like to suggest that this system take upon itself the following basic functions: providing the population of the inhabited regions with extensive information concerning the job skills needed in one or another specific area of the North; selecting those desiring to work in the North on the basis of their professional suitability and the state of their health; familiarization of candidates for working in the

North with anticipated working and living conditions, and possible wages and benefits; organizing the relocation of workers and their families to their new dwelling places.

The key problem in the strategy for rendering the North habitable is that of the migrants' expeditiously passing their time there.

It needs to be mentioned that a definite, albeit small portion of the people coming to the North have a conscious desire to become permanent residents, in the fullest sense. As social and living conditions there improve, and the attractiveness of such features as the uniqueness of the environment, the relative lack of pollution and the sparse population grows, this stratum of northerners will continue to increase. And the significance of this phenomenon in the process of forming a population in the North need not be overestimated. Thus, for example, specialists from the Siberian Division of the USSR Academy of Sciences feel that in most of the prospective districts involved in the new economic development, the extreme and uncomfortable living conditions practically rule out the formation of a permanent population here. As experience has shown, the effective adaptation of most of those who have come from the country's middle latitudes is extremely difficult. According to doctors' recommendations, it is most advisable to develop the local natural resources by bringing people in temporarily for 1 to 2-3 years, based on painstaking medically-based selection [3, p 111]. We are referring to such areas as the Yamal Peninsula, the extreme northern Tyumen Oblast, the Arctic coast of the Krasnoyarsk Kray, Yakutia and the Magadan Oblast. Living conditions in the remaining locales making up the Far North or similar areas make it possible to bring in temporary workers for 5 to 10 years. Longer tours of duty in the upper latitudes are undesirable in most cases, since this greatly increases the likelihood of considerably worsening the workers' health and correspondingly, the likelihood of partial, and sometimes complete loss of the ability to work. In a situation such as this, it is difficult for the northerners to readapt themselves to the natural and climatic conditions of the areas to which they return from the north, and there arise definite psychological difficulties connected with leaving a circle of acquaintances established during the years spent in the North and with changing their entire way of life.

The upshot is that a certain number of former northerners who are still at an able-bodied working age can no longer participate fully in public production.

One possible way for a person to take part in developing the North is through more extensive use of the duty-shift and dispatched duty-shift, wherein workers are sent out to work for a period of time, then brought back home for weekends and relief breaks, a practice in which a great deal of experience has been accumulated in a number of

areas. Thus at the beginning of 1983 there were 110,000 people working by the first method and about 90,000 by the second in the Western Siberian Gas and Oil Complex alone [6, p 96].

The dispatched duty-shift method is attracting particular attention. It allows regions to be developed without exposing workers' families to difficult natural and climatic conditions. Thus, in the first place fewer people risk having their health worsened, and in the second place civil residential construction, which is extremely costly in the North, is cut back. In the trans-Polar regions, this method saves about R14.5 million reckoned at 1,000 persons [6, p 96].

The importance of the duty-shift and dispatched duty-shift methods should not be overestimated. Use of these methods is associated with solving the complex problems of adapting people to constantly alternating extended periods of intense work and rest, to regularly changing natural and climatic living conditions etc. Obviously this way of populating the North must be used primarily in the harshest locales. In other northern areas, the traditional method of making these locales habitable will play a primary role. Here, the duration of a person's tour of duty in the upper latitudes need not exceed 5-10 years, as previously noted, depending on specific aspects of the living conditions.

The availability of housing, and social and domestic services institutions is of crucial importance in consolidating the labor force in the North during this period.

During the period from 1966 to 1985, the population in the Far North and similar locales increased from 5.3 million to 9.2 million people, i.e. more than 1.7-fold. [7, p 21; 8, p 33]. Tens of thousands of apartments were built during this period and numerous kindergartens, general education schools, trade, health and cultural facilities were put into operation which, along with wage increases, substantially improved the northerners' standard of living.

However, the lag in this region regarding a great many important aspects of the standard of living from the average union and republican indicators has yet to be eliminated. Thus, the availability of housing for the populations of such major centers as Yakutsk, Petropavlovsk-Kamchatskiy, Magadan, Yuzhno-Sakhalinsk and Murmansk is lower than for the RSFSR's overall urban population [9, pp 9-11, 192-193], even though the northerners' housing needs are greater because of the unfavorable environment in which they live. There are also fewer doctors per 10,000 persons in the Far North [8, pp 33, 35, 269] at a time when living in the upper latitudes requires that people's health be specially monitored. A similar situation has also come about regarding the availability of library, club and other cultural services facilities [8, pp 5, 33, 35, 334 and 340], which severely limits the opportunities for increasing numbers of young

people and those without families to spend quality leisure time in the isolation of many of the Far North's population centers from each other.

The lag in the development of a social infrastructure greatly reduces the effectiveness of national economic activity in the North. Unsatisfactory living and domestic conditions retard growth in labor productivity and foster increased turnover in the labor force and the poor degree to which it is consolidated in northern areas.

This unfortunate situation is related primarily to major flaws in the planning of social development in the North. Prior to now, the sole incentive for attracting labor to this region has been wage coefficients and increments. In the 1940's and 1950's, when little housing and few other social infrastructural elements were available either in the settled regions or the North, the wage-related advantages fostered the influx of workers and their high degree of consolidation in the North. The rapid upswing in the standard of living was characteristic of all the country's regions, but the development of the social infrastructure in the North has clearly lagged behind the more southern regions during the last decade.

The ministries and departments involved in developing the North are giving all their attention to setting up the production base, and the problems connected with non-production construction are usually solved slowly and incompletely. An index such as the share of capital investments for the non-production sphere out of all capital investments is lower in the North than the average throughout the country (18.4 and 28.4 percent respectively), and has a tendency to decline [4, p 52].

Consequently, the effectiveness of northward migration is also declining. At present, 8-10 persons have to be brought in to consolidate one worker, which is 2-fold greater than the figure for 25 years ago.

Here, it seems necessary to bring up not only the inadequate monies allocated to create comfortable living conditions for the northerners, but also the stereotypical approach to the social problems of the North. The essence of this approach lies in exaggerating the importance of increased wages in areas suffering from a shortage of workers. Some people believe that most migrants come to the North to reside there only temporarily and that they make minimal demands on the availability of their housing and public services and amenities, as well as on medical services, supply etc. This is a fallacious view. New settlers coming to the North certainly do increase their wages, but in so doing they simultaneously worsen their living conditions.

Such a change in one's living situation is unsuitable to many of the people who have come to work in the North. Among the reasons for returning to the "mainland" prematurely, people primarily mention the shortage of housing and service facilities and the unfavorable climate.

High wages combined with uncomfortable living conditions, both natural and climatic as well as domestic, foster the spread of a migratory psychology among the people who travel to the North, by which they intend to make periodical short-term trips "seeking the long ruble". This type of "work-force" behaves like temporary workers in the North, after whose passing "not even grass will grow". From workers such as these, it is difficult to expect intensive, highly-productive, and at the same time high-quality work, or consideration for the means of production and raw materials or for the extremely fragile natural environment of the higher latitudes. Is this not one reason the Presidium of the USSR Supreme Soviet adopted the special order "Intensifying the Protection of Nature in Areas of the Far North and Coastal Areas of the Northern USSR" (of 26 November 1984)?

However, the majority of the northerners came here not only for money, but to test themselves, for self-affirmation. But if these people return to uncomfortable temporary housing after their work shift and are unable to spend their leisure time in interesting ways because there are no clubs, movie theaters or libraries, then some of them begin to form a temporary worker mindset and their romantic inducements, colliding with their elementary domestic disorder, are dispelled, and they are left with only a purely material interest.

Providing a person with comfortable living conditions in the North creates additional opportunities for growth in labor productivity and increased consolidation of the labor force, not only by virtue of improving the overall conditions for reproducing the labor force, but also by forming an attitude towards work which is not simply profit-minded, but highly motivated.

Having expressed a desire to move to the North, a person must be sure, not only that he will find work suited to his specialty and will live in comfortable conditions, but that he will be able to return to the "mainland" with no difficulty after a few years.

Those who move out to the North on a contract have living spaces reserved for them equal to their former residence, but as investigation has shown, these turn out in many cases to be dormitories, rooms and apartments in which their relatives etc. have to live. After several years of work, the northerner and his family frequently obtain satisfactory quarters in the North and save up a considerable amount of money. In this regard, he finds a return to his former living space now unacceptable, and the alternative is to join a house-building cooperative on the "mainland".

USSR Council of Ministers decree of 19 August 1982 No 765 granted the right to set up house-building cooperatives for the purpose of building residential housing in all population centers in the territory of the USSR other than in union republic capitals, the cities of Moscow and

Leningrad, the Moscow Oblast and on public and republican health resorts, to those workers and retirees who have worked in regions of the Far North and locales equal to the Far North for no less than 10 years. They were also granted the right to join, on the recommendation of their enterprises, institutions and organizations, house-building cooperatives in all the population centers in the territory of the USSR aside from the capitals of union republics, the cities of Moscow and Leningrad, the Moscow Oblast and all-union and republican health resorts regardless of the availability of a registration.

However, this right is far from having been put fully into practice. It is a matter of the northerners' cooperatives having been organized on an extremely small basis, too small to satisfy everyone concerned. The primary cause of this situation is the reluctance of the local Soviets of People's Deputies on the mainland to give the northerners a chance to build housing on their territory, or to accept them into their cooperatives. This is connected to a certain degree with the fact that the local Soviets have enough stepped-up plans for residential and cooperative construction for their own populations, and have not all been able to overcome difficulties in obtaining building materials, with the scarcity of manpower in many construction organizations making itself felt as well.

The USSR Council of Ministers decree of 10 October 1985 authorized, as an exception to the ministries and departments, the allocation of state capital outlays for housing construction in the southern areas for those citizens who have come to the North from other areas of the country and who have worked in the North until retiring after no less than 20 years. However, as practice has shown, the ministries, based on their narrow departmental interests, have as a rule had no intention to make full use of the rights granted to them.

It seems that the situation can be rectified, first of all, by allocating special additional funds as part of the drawing up of plans for the economic and social development of oblasts, krays and autonomous republics in which northerners can join house-building cooperatives, and second, by allocating a definite fixed percentage of the cooperative apartments built on the mainland for residents of the Far North.

Considering that a prolonged stay in the severe natural and climatic conditions of the North is contraindicated, it is high time that the minimum length of service in this region needed to join a cooperative in settled regions be reduced from 10 to 5-7 years. For those who have worked 10 or more years in the North there is an evident need for a different, more beneficial alternative for solving their housing problem upon returning to their previous place of residence. It consists in a worker obtaining equal housing on the "mainland", not from his ministry, but from the State, in exchange for vacating an apartment in the North.

The proposed alternatives for solving the problem of providing housing for former northerners could have a two-fold effect: on the one hand, a large volume of the housing stock is vacated for use by those newly arriving in the North, and on the other hand another incentive is created for people relocating to the upper latitudes to work—people will have the assurance that after the allotted time they will be provided with satisfactory living conditions in the places to which they will be returning.

We believe that it has also become necessary to create a special service attached to the Soviets of People's Deputies in the regions of the North which would have a special involvement with questions of resettlement on the "mainland", and could take upon itself the solving of problems related to joining cooperatives, with an organized housing exchange and, a matter which is of no little importance, with job placement for former northerners. This question is of major importance to the national economy. It would be desirable, as needed, to provide incentives for relocation, say, for the Norilsk Metallurgical Combine imeni A. P. Zavenyagin in the Donets Basin, Krivoy Rog, Nikopol and other such areas, where their experience as miners and metallurgists would be useful. With this end in mind, provision could be made for the construction, in these areas first of all, of cooperative housing for the northerners, and for the setting up of an exchange of quarters.

The strategy for involving people in the development of the North should by and large promote the successful effecting of a labor-saving policy and should push intensive growth factors to the fore in the process of said development.

#### Bibliography

1. "Biologicheskiye problemy Severa" [Biological Problems of the North] (thesis of proceedings of VIII symposium). Part 3. "Adaptatsiya cheloveka k usloviyam Severa" [Man's Adaptation to Northern Conditions]. Kirovsk, 1979.
2. Agranat, G. A.: "Osvoyeniye Severa: mirovoy opyt i regionalnye problemy" [Development of the North: World Experience and Regional Problems]/EKO, No 7, 1983.
3. Kerov, V. A.: "Problemy khozyaystvennogo osvoyeniya novykh rayonov (evropeyskiy Sever, Sibir i Dalniy Vostok)" [Problems of the Economic Development of New Regions (the European North, Siberia and the Far East)]. Moscow: Mysl, 1982.
4. Myakinenkov, V. M.: "Ekonomicheskiye problemy rasseleniya i rayonnoy planirovki na Sever" [Economic Problems of Settlement and Regional Planning in the North]. Leningrad: Stroyizdat, 1983.

5. Marchuk, G. I.: "Perspektivy razvitiya Sibiri" [Prospects for the Development of Siberia]. NAUKA I ZHIZN, No 10, 1980.

6. PLANOVYE KHOZYAYSTVO. No 1, 1984.

7. "Narodnoye khozyaystvo RSFSR v 1978 g." [The RSFSR National Economy for 1978]. Moscow: STATISTIKA, 1979.

8. "Narodnoye...v 1985 g." [The RSFSR...for 1985]. Moscow: FINANSY I STATISTIKA, 1986.

9. "Narodnoye....v 1982 g." [The RSFSR...for 1982]. Moscow: FINANSY I STATISTIKA, 1983.

COPYRIGHT: Izdatelstvo "Nauka", Izvestiya AN SSSR, seriya ekonomicheskaya", 1987

12659

## LABOR

### Readers' Queries on Pension Provisions Addressed

18280021 Moscow SOVETSKAYA ROSSIYA in Russian 5 Dec 87 p 4

[Article by S. Kosterin: "Labor Pensions: M. Kravchenko, Deputy Chairman, USSR Goskomtrud [State Committee for Labor and Social Problems], Replies to Questions from SOVETSKAYA ROSSIYA's Readers"]

[Text][Question] "I read somewhere that our country now has about 59 million people living on pensions. In two years I, as a working man, will also join their ranks. I familiarized myself with the presently existing pension legislation, made some estimates, and I've become quite sad. Though I'm a highly skilled specialist, I will return to that level of material support at which I began my working career. The pension limit is 120 rubles. The very same pension will also be received by those who 'haven't moved anything'.... Is this fair? I'd like to know whether the new pension law will change this situation. Tell me how its preparation is coming along and what will make up its foundation.

M. BATASOV, fitter-toolmaker Moscow"

[Answer] I'm sure that this is not the only letter with such contents that the editors have received. Every day hundreds of them also pour into our offices at the Goskomtrud. And it's understandable why their authors are so upset. Thirty years have elapsed since the presently existing pension legislation was adopted and, let's be frank, it has ceased to meet the requirements of society and working people.

Now at the time of revolutionary restructuring a high labor yield is more important than ever before from every person, no matter what position he may occupy, no

matter what job he may work at. This is possible only if every worker is confident that his increased efforts will be fairly evaluated not only today but at the time when the results of his working career are totaled up. Does the present pension law meet this expectation? As the letter-writer M. Batasov correctly notes, it even puts something of a damper on a zeal for labor: safeguard your health, it seems to say, don't expend your efforts, and don't strive for higher wages. Because your pension allotment will still be, no matter what, at the same level as those who allow themselves to work at something less than full strength.

The gap between steadily growing wages and the maximum pension amount has become very noticeable. When the last law on pension allotments was adopted in 1956, the average wage in this country was 76 rubles. Now it has reached 205 rubles, but the "ceiling" for a pension has remained at the level of 120 rubles. We are not focusing our attention here on the pension amounts for those who have been employed in such sectors as coal-mining, non-ferrous metallurgy, etc., where the pension amounts are higher because they are connected with very difficult and unfavorable working conditions.

The "immobility" of the pension law has substantially stifled its stimulating characteristics and is leading to a leveling in the distribution of this expenditure item in the state's public funds. Indeed, when the results of a working life are totaled up, those who have self-sacrificingly built the new society, going all out, with a sense of duty and conscientiousness, turn out to be at the same level as those who allowed themselves to take it easy.

The stagnation of the pension law has also opened up possibilities for all kinds of abuses. It turned out that all you had to do was to change your position or job to a 12-month basis, and you would be more highly paid and thereby automatically increase the amount of your own pension. Such illegal actions have become almost universal. This has become all the more intolerable in the case of our opposite pole—the minimum pensions—where there are still differences between the pension allotments for kolkhoz members, on the one hand, and workers and office employees, on the other hand.

Now the party has founded its activity on a strong social policy and has proclaimed the principle of social equity. The new edition of the CPSU Program, as adopted by the 27th party congress, stated directly that pension amounts will be periodically increased, especially the minimum pensions and those not previously designated. Pension allotments for kolkhoz members will gradually approach the level established for workers and office employees. Many categories of the population have already felt this tangibly, having received a raise in their pensions during the period since the congress was held. A recent ukase by the USSR Supreme Soviet Presidium raised the minimum pension amounts for kolkhoz members and their families.

A year ago the CPSU Central Committee Politburo acknowledged the feasibility of proceeding to prepare a new law on pension allotments for working people, bearing in mind improvement in the living standards of labor veterans and providing them with incentives to participate more actively in public production.

[Question] "I think that pensions should be the same for everybody. At the pension age all persons are equal, and there's no need to single out anyone for special treatment. Pensioners, whether they are janitors or fitters, kolkhoz members or main administration chiefs, etc., when they are at the stage of having pensions allotted to them, should be equal in their demands. We shouldn't divide people into 'distinguished' and 'undistinguished.' Everyone on pensions ought to be considered simply as mortals."

P. KRAPOTKIN Pushkino Moscow Oblast"

[Answer] That's a naive idea. We've just been speaking about the harmfulness of leveling, which reduces a person's motivation in public production. No, in proceeding to work out a concept for the new law on pension allotments, we have founded it on other, more popular wishes of working people. Yes, the new law must be standardized, but it also must certainly take into account the scope and quantity of each person's labor contribution. Only in this way will the pension legislation become effective and channel people into long-term and highly productive labor. And this may be formulated more briefly and clearly as follows: the more and better you work, the higher your pension will be. This is the only way to implement the basic principle of socialism—from each according to his abilities, to each according to his labor! One thing is for sure: the new law will have to improve the material situation of war and labor veterans.

I won't conceal the fact that at the present time we have to listen to a lot of idle gossip, and even in letters it seeps through that reportedly in the Goskomtrud the "bureaucrats" are scribbling something in secret. Actually, the new law is still being worked out; specialists are weighing many alternative proposals and evaluations about which it is still a bit too early to speak definitively. But the final draft will be submitted for nationwide discussion. And the summarized opinion will allow us to finish working out the draft solutions. All I can speak about now is the concept, trends, and certain individual proposals. And surely such conversations are necessary nowadays amid the circumstances of glasnost.

It would obviously be wrong for the new pension legislation not to reflect the role of labor collectives, not to increase their contributions to the public pension funds, nor to make sure that they deposit the money intended for veterans. Let's speak briefly about a specific point—privileged pensions for harmful conditions on the job. And why not set up at such enterprises, for example, a special fund from which early pensions would be paid

out? Because, of course, under the conditions of self-financing and self-support, this would induce the enterprise to improve the working conditions. And, let me add: to punish it financially for not wanting to create such conditions. Is there an incentive here? There certainly is.

Many proposals are coming in from you, comrades, about changing the procedure for determining the earnings on which computation of pensions would be based. Of course, the "12-month" principle must be rejected. And channels for abuses will be closed off. But what time period should be used as a basis for this computation?

There are proposals to start computing a pension from the very first day of work. But with the state of neglect in accounting and the careless attitude toward filling out documents on earnings, we are hardly ready to do this at the present time. Perhaps we could adopt the practice of now taking ten years of work for the purpose of pension computation and then setting the pension amount based on any five years from them.

The following proposal has also come up for consideration. We've been advised that for every year worked beyond a 35-year service period for men and a 25-year service period for women we should compute an increment to the pension amounting to one percent of the earnings. And any other supplements would be eliminated.

Particular interest has been evoked by a question which is directly linked to the material situation of labor veterans. It concerns the minimum and maximum pension amounts. What sorts of solutions can be proposed here?

Re the minimum. At present it amounts to 40 rubles for the pensions of kolkhoz members, 50 rubles for the pensions of workers and office employees, and it is somewhat higher for those persons who have been on pensions for more than 10 years. Obviously, it would be fair to make the minimum equal for all categories and to maintain minimum pensions at the level of 75 percent of the minimum wage.

Re the maximum. This limit is the most complex one and has evoked the greatest number of diverse opinions because it has not been subjected to change for the past 30 years. It is precisely this provision of the present pension legislation which has separated labor activity from pension allotment by age; it has also worsened the veterans' material situation. According to our calculations, by 1990 the average wage throughout the country will increase to 220 rubles. How can we prevent pension allotments from lagging behind the increase in wages?

Certain persons, and included among them are our development people, have proposed that no maximum pension be fixed, that no "cap," so to speak, be placed at

a specific level. Well now, does that mean making it possible for "rich pensioners" to emerge? Perhaps, indeed, the pension income of some persons will be rather high. But, of course, they will have earned it by their own labor, labor which is useful and fairly evaluated by the society. And the main thing is that such a pension will have been earned over a lengthy period of time.

There are also such opinions as the following: the maximum pension amount should be set at the level of the average-year state wage of 215-220 rubles per month. And it should be revised every five years.

We must carefully calculate and weigh the idea of the state's possibilities in this matter.

[Question] "The time is approaching for me to fill out the forms to apply for a pension. But I'd like to go on working a bit longer, at least while I'm still healthy. And I want to continue working without applying for a pension. Is there some law on this score? And one more thing. Do I have to resign in order to receive a pension with a supplement for my work, if I do decide to continue it?"

K. CHIRVA Krasnodar"

[Answer] There is a "ceiling" on the amount which may be earned by pensioners. But, at the same time, we must encourage such persons. And, of course, limitations have now been removed for those pensioners who are employed in cooperatives or in the field of individual labor activity.

We have categories of older people who, for various reasons, lack the necessary period of labor service to qualify for a pension. In our opinion, the state is right to establish "social pensions" in such cases.

Those experts who are working out the new pension legislation are devoting particular attention to invalids of the Great Patriotic War and to those who suffered in performing their international duty. They will be placed in a special category. The norm for computing their pensions should undoubtedly be higher, as indeed it is higher even now. In their case, there is the following unique possibility for adding increments to their pensions: monetary compensation for those privileges which, because of certain circumstances, they can no longer utilize. What I have in mind here is reimbursement for the cost of motor vehicles, the right to free travel, and travel authorizations to sanatoriums. Thus, these privileges would not be entirely lost.

The new law is becoming large in scope and multifaceted. And this is not happening just in the silence of studies. Its provisions are being checked out and discussed at our meetings. The latter have been held in several regions and at enterprises; certain labor collectives have expressed their own attitudes to these draft provisions. And at these meetings the emphasis has again

been placed on the need to link labor activity with the pension allotment. People are also coming to understand that the state can distribute only that which has been created by the labor of its members, and no more. So this means that the better we work, the better we will live. Work on the draft of the new law is continuing.

2384

## EDUCATION

### New Groupings for Career Specialization Introduced

18280020 Moscow *TRUD* in Russian bx:122 Nov 87 p 1

[Interview with V. Afanasyev, chief of Educational-Methods Administration, Ministry of Higher and Secondary Specialized Education, by S. Mostovshchikov, *TRUD* correspondent: "Who Should Be Trained by the Higher Schools?"; first paragraph is *TRUD* introduction]

[Text] The USSR Ministry of Higher and Secondary Specialized Education has approved a new list of majors in which our country's students will be trained. Our *Trud* correspondent has interviewed V. Afanasyev, chief of the Educational-Methods Administration and a member of the ministry's collegium, concerning the kinds of changes this document will bring about and its importance for higher schools.

[Question] Valeriy Nikolayevich, I have glanced through the new list, and my attention was drawn to the fact that many of the presently existing majors are no longer there....

[Answer] If you take a look at the old list, you will notice that the last listed major is numbered 450, whereas the new document has only 300 of them. But this should not lead us to think that all the changes here boil down to a simple reduction. On the contrary, we have not eliminated a single major as such. That would have been, to say the least, unintelligent—to ruin the experience in training specialists which has been accumulated by the higher schools. We came to the conclusion that under the great amount of fractionation from which the existing list suffers we are not teaching students in an optimal manner; we are devoting too much attention to superfluous work. In the economic grouping, for example, there were 56 majors in all, but upon closer examination, many of them turned out to be not independent, and they were interfering with each other. After being combined and systematized, 26 majors were left in the economic grouping. We revised a great deal in the machine-building and other groups of majors. Thus, the list has become more effective and compact; majors have been consolidated and expanded.

[Question] When it became known at universities and institutes that such a "cut-down" list was being prepared, faculty members and students literally began to sound the

alarm. They were saying that many departments would be closed down and that acceptances at VUZ's would be cut back. Are these fears justified?

[Answer] Not a bit. We have indeed encountered such opinions, and I understood why they arose. The administrative system which had become rooted in higher education made them accustomed to the idea that once something was thought up "on high," it meant that matters would be "out of their hands." The country had only a few VUZ units which enjoyed independence.

But now independence will become the basis for every VUZ's operation. A rector will not personally run things by his own arbitrary decision, but rather the learned council of a university or institute, acting on democratic principles, will be able to determine by its own efforts how much, to what extent, and in what subjects the VUZ's will interact with their students in order to train good specialists.

There is the concept of the "major" and the concept of the "specialization." For example, the Journalism Department of the MGU [Moscow State University] trains students in the "journalism" major. But, of course, there are also various sections within that—television journalism, radio, newspaper, and even international journalism. This last, by the way, did not previously exist. It had its own department, and it was considered that international journalism was a separate major. But judge for yourself: first of all, a journalist must know how to write, and then how to write on international topics. And so a major was promoted to the rank of a specialization. But this was done at that time by a decision "from on high," whereas now the question of what kind of specialization VUZ graduates need and which ones should be eliminated will be decided by the VUZ itself.

The new list is also important in that its compactness provides grounds for creative quests, for expanding rather than narrowing down the possibilities of higher education.

[Question] A creative quest is fine under creative circumstances. But to establish the latter, a single list of majors is not enough....

[Answer] Of course not. If this document had been published by itself in isolation, it would not change matters a great deal. But it is part of a program for restructuring higher education, a program by means of which the system of training specialists in general is being changed.

What were matters like previously? All too often enterprises used to requisition young personnel from us because they feared to lose their own vacancies. Passed through Gosplan, the only thing that such a requisition did was to guarantee the retention of unoccupied job slots. But young persons with diplomas in their pockets then were assigned jobs which were utterly at variance with their fields of specialization. Now, however, under the conditions of cost accounting, we will be paid 3,000 rubles for each trained specialist. That is quite a lot of money, and an enterprise will have to give some thought as to who it really needs and how to provide work for such an "expensive" person.

Under these circumstances the VUZ becomes the master of the situation as the supplier of specialists. Its business is to decide, along with its "customers," what kinds of employees are needed, as well as how and in what specializations they should study. Here too the new list of majors—stripped of the motley quality and everything artificially forced upon it in past years—is a good assistant.

## CIVIL AVIATION

### Volkov Meets with Pan Am Officials

18290042a Moscow VOZDUSHNYY TRANSPORT in Russian 7 Nov 87 p 3

[Text] USSR Minister of Civil Aviation A. N. Volkov received C. E. Acker, chairman of the board of Pan American World Airways, in Moscow on 6 November.

In the course of the discussion, which was held in a businesslike, constructive atmosphere, the sides expressed mutual satisfaction with the development of cooperation between Aeroflot and Pan American over the past year and a half since the resumption of scheduled air service between the USSR and the United States on 29 April 1986. The meeting devoted particular attention to the question of developing new forms of cooperation between Soviet and American airlines.

It has already been reported that important documents establishing a nonstop Moscow-New York and New York-Moscow route for joint use was signed on 25 September this year. These flights will begin on 15 May 1988 with three trips weekly, using Pan Am's Boeing 747 wide-body airliner, cockpit crew, and flight attendants; Aeroflot flight attendants will also be on board. Provision is being made to use Soviet wide-body aircraft in the future.

At a press conference for Soviet and foreign correspondents on the same day, it was mentioned that the nonstop flights will save considerable time for air travelers. So on flights from New York to Moscow, which now take 8 hours and 20 minutes ((8 hours and 55 minutes for the return trip), passengers will save about 3 hours.

Both airlines are considering the establishment of a joint enterprise to build and operate hotel complexes in Moscow and Leningrad as the next stage in their collaboration. Implementation of these arrangements will make it possible to provide passengers with overall service of high quality.

Along with their joint-use flights, Aeroflot and Pan American will also be continuing runs between the USSR and the United States with one intermediate landing as previously.

In discussions in Washington recently, delegations of the USSR Ministry of Civil Aviation and the U. S. Department of State coordinated the changes needed in the intergovernmental agreement of 4 November 1966 on air service between the two countries as a result of the new arrangements between Aeroflot and Pan American.

Both sides stressed at the meeting in the Ministry of Civil Aviation that the new businesslike approach in Soviet-American relations which has been outlined will unquestionably promote the development of ties between the USSR and the United States in the area of air service.

8936

### Volkov Speech on 70th Anniversary of Revolution

18290042b Moscow VOZDUSHNYY TRANSPORT in Russian 7 Nov 87 p 2

[Speech by USSR Minister of Civil Aviation A. Volkov at meeting of veterans of the party, the war, and labor marking the October Revolution anniversary: "The Pride of Generations"]

[Text] We have gathered here in honor of a date which is significant for all of mankind—the 70th anniversary of the Great October Socialist Revolution. I cordially congratulate you, dear comrades, on this great holiday! I wish you good health, happiness and success in your work!

The party and the government attach a great deal of importance to work by the veterans of the party, the revolution, the civil war and the Great Patriotic War, and labor veterans. The message of greeting to the glorious Leninist guards stressed: "In celebrating the anniversary of the revolution, we are giving what is due to all the generations of builders of a new life, to all those who transformed our country from one that was economically and militarily backward into a mighty world socialist power. The labor, talent and revolutionary endurance and heroism of the working class, the collective-farm peasantry, and the people's intelligentsia are in our achievements of today."

The greeting was addressed first of all to those representing the older generations, those who fought heroically in the terrible battles of the revolution and on the fronts of the Great Patriotic War. It was addressed to all Soviet persons, united by the community of our historic destiny and the spirit of the time of glory.

However, going into retirement without a trace is not in the rules of those who devote their lives to serving the Motherland. The many-sided activity of the party and all the people, inspired with the revolutionary spirit of restructuring, assigns a role of vast importance to the veterans' experience, wisdom and steadfastness.

The time demands that we make rapid and bold decisions and demonstrate initiative and perseverance. The sudden change in the development of Soviet society today and the restructuring in all areas of public life are inconceivable unless the older generations' experience and your active participation in restructuring are taken into account, comrades.

Civil aviation today reflects the lives of the people and their anxieties and concerns. We have persons and things to be proud of. Our first pilots were among those who stormed the Winter Palace and fought the enemies of the young Republic of the Soviets. The names of the first Heroes of the Soviet Union are known throughout the world, and their feat—the rescue of those on the Chelyuskin—became a symbol of courage, valor and heroism. Their baton was picked up by pilots Mazuruk, Alekseyev and Golovin, who took part in landing Papanin's crew on the North Pole, and by Chkalov's and Gromov's crews, who completed record long-range flights. All mankind applauded them.

More than 12,000 civil aviators were decorated with orders and medals for their courage and steadfastness in the Great Patriotic War. And soon after the war, the best pilots in Aeroflot opened a new era in aviation history—the era of jet aircraft, which continues to serve the national economy today in its third generation.

All these and many other achievements have enabled Aeroflot to train its invaluable detachment of aviators. I would like to express my heartfelt gratitude to you, comrades, for your ardent devotion, your concern for the destiny of restructuring, and for your active participation in the military-patriotic and labor education of the sector's youth and their ideological and moral training.

This gratitude is for specific work by veterans. This summer we had a meeting at the ministry with those who took part in putting Papanin and his crew at the top of the earth. Yes, there were things for Marko Ivanovich Shevelev, Ilya Pavlovich Mazuruk, and Valentin Ivanovich Akkuratov to remember... But they not only remembered, they called upon us to go further. They spoke with competence, as if they had just returned from the high latitudes. We have studied their suggestions closely. I am certain that your experience, multiplied by the zeal of Aeroflot's young generation, will yield good results in the new stage of the sector's development.

In preparing for Aeroflot's transition to the new conditions of economic operation, we decided initially to conduct an experiment in the administrations in Belorussia, Lithuania and the Komi ASSR, and at Domodedovo. And we found the veterans to be especially enthusiastic supporters of the restructuring.

A great many letters have come to us at the ministry, to the administrations, and to our newspaper and journal. They warmly support the party's course toward regeneration of our life. But these same letters contain sensible suggestions, many of which were taken into consideration in preparing the ministry collegium's decisions on restructuring in the sector.

Aeroflot has a considerable number of concerns now. The state of affairs with flight safety and the quality of passenger service requires radical improvement. We

have still not learned how to utilize our resources economically everywhere that this is possible. We are not doing enough to reinforce discipline and order in all units in the aviation system. Unforeseen difficulties will certainly emerge in the sector's work under the new system at first.

Restructuring has demanded that we overcome stagnation and conservatism. Decisions on a new organizational structure for the ministry have been prepared. They are aimed at improving flight safety and regularity, meeting the demand for air transport, and providing for the sector's operation under the conditions of full cost accounting and self-financing. The social and cultural area is being reinforced. Democratism and glasnost are becoming an integral part of our life today.

We are relying on the veterans' wisdom, their vast experience in life, and their tenacity and steadfastness to a large extent in resolving these problems. A constituent conference of the All-Union Organization of War and Labor Veterans was held almost a year ago. Its decisions met with a warm response in Aeroflot. Specific measures were adopted which made it possible to restructure the work of civil aviation veterans.

The demands made upon an aviator are very strict. Compared with other occupations, our veterans include persons who are still young and strong. We have the right to expect that they will continue to be active members of their collectives after they have finished flying, and that they will continue work in a new capacity and make use of their prestige as an experienced pilot, controller, navigator or engineer to assist those who have come to replace them.

The supervisors of the sector's services, political departments and party and trade union organizations should think about your further active participation in social and political life. We are also relying a great deal on the firm and resolute action of the veterans councils which function in Aeroflot.

Mikhail Gromov said: "The role of memory in aviation cannot be overestimated. The word 'forgot' should not exist in aviation." These words are not about the past. They relate to the present and the future. Aeroflot is now preparing to receive aircraft of the fourth generation—the Il-96, Tu-204, the Il-114, and new helicopters. We are combining an upsurge in quality at all levels and in all services with provision of the latest equipment for civil aviation.

And such experience exists in Aeroflot, after all. Unique experience. I am referring to the fact that the Tu-104 was put into service over a period of time which was undreamed of by any airline in the world. Aviators needed 4 months in the 1950's to put a qualitatively new aircraft in the air, provide support for its flights, and learn how to maintain it. Thirty years have gone by. Those who took part in that truly historic work have

become veterans. Who but they will come to the aid of the young commanders of production and the party and social organizations of aviation enterprises. Who but they will help us with practical advice and work this very day. Persons who are aware of the minute details of passengers' concerns and difficulties can provide invaluable assistance in improving the quality of service for them.

We are also relying on your practical response to the appeal to promote individual activity at airports, passenger ticketing agencies, and so forth.

Initiative, a creative approach, the need to operate in a new way—we relate these requirements to the area of production, as a rule. But acceleration of the country's socioeconomic development is inseparably linked with the increased role of the human factor. By virtue of the specific nature of its activity, Aeroflot has a young work force. This is the reason the task of training young persons with a substantial safety factor is so important.

People's recollections of the services performed by older generations—these are our roots. And the stronger they are, the better they are. Unfortunately, we are not always able to preserve the past, including the recollections of persons. After shining briefly as a bright star, many names are forgotten in the sector's daily routine. Is that right? No! The ties of the generations should not be broken.

Anonymous competitions for the title "Best in Occupation" are being held in the sector. Don't we really have enough persons who have been experts at their jobs and whose names can be given to these competitions by decision of the labor collective or the veterans council? This is one of the specific forms for a direct link between the generations.

Restructuring of society is inconceivable without critical evaluation and reassessment of our historic life experience. And veterans can help young persons to sensibly evaluate what has been done.

"The future is determined to a large extent by the kind of young persons we train today, comrades," M. S. Gorbachev said at the 27th CPSU Congress. "This is a task for all the party and all the people."

The path followed by the country in the 70 years since the Great October Revolution is a great path. Important new work lies ahead of us. I am confident that the contribution to it by war and labor veterans will be a worthy one!

Again, many thanks to you for your invaluable work of many years, which has elevated Aeroflot to the level of the largest airline in the world.

### Trade Union Members Discuss New Economic Mechanism

18290042c Moscow VOZDUSHNYY TRANSPORT in Russian 10 Nov 87 p 1

[Interview with V. Selitrennikov, chief of the Organization and Instruction Department of the Aviation Workers Trade Union Central Committee, by *Vozdushny Transport*: "Democracy: The Tribune of Glasnost"; first paragraph is editorial introduction]

[Text] The scheduled Third Plenum of the Aviation Workers Trade Union Central Committee is being held in Moscow on 24 November 1987. The plenum's agenda: "On strengthening the work of the trade union's committees in shifting aviation workers collectives to the new economic operation and wage conditions in light of the decisions of the 27th CPSU Congress and the June (1987) Plenum of the CPSU Central Committee."

[Question] What are the tasks that will be set for trade union organizations in the report?

[Answer] The report by the union's central committee plans to discuss the main question—what are the basic characteristics of work by trade union organizations under the new conditions for economic operation? This refers to the new system of organizational work by union committees. This obligates all plenum participants to thoroughly analyze and reinterpret the nature of trade union organs' activity, to compare their work and plans with the decisions of the CPSU Central Committee Plenum, and to define practical measures to restructure the style, forms and methods of work by trade union organizations which respond to the new economic conditions in production.

As emphasized at the ceremonial meeting marking the 70th anniversary of the Great October Revolution, "today we must state firmly once again that the party will not tolerate any deviations from the economic reform principles that have been adopted. All the reforms should and will be carried out in full."

It is suggested that we analyze participation by republic and territorial committees and trade union committees in developing the economic incentive fund, devote attention to shortcomings in this work, and discuss new approaches to the drafting and approval of plans. The inability at times to utilize the funds at collectives' disposal zealously will be subject to special discussion. Trade union organs are forming their position with respect to reduction of the unprofitability of enterprises in the sector and with respect to the provision of social protection in this matter.

Trade union organs are faced with the task of waging a struggle against the effect of the so-called "double economy," where old sectorial documents prevent the collectives of enterprises from operating in the new way.

[Question] It is common knowledge that the labor collective stands in the center of restructuring tasks. Indeed, it is this very unit which must decide the fate of the radical reform for managing the economy which is being undertaken by the party.

[Answer] It is precisely for this reason that we will continue at the plenum to discuss the problems of developing and shaping the councils of labor collectives and their participation in the complex process of restructuring the economy, which was raised by *Vozdushnyy Transport*'s "round table." We will discuss the role of trade union committees in the process of electing economic managers which has developed in the sector. We will be raising the question of radically changing the approach to organizing socialist competition and adopting socialist pledges which has taken shape over the years, and to rejecting the dictates of superiors in resolving these problems. The tasks of trade union organizations in shifting to the new wage conditions are being defined and the errors and blunders permitted in this process are being analyzed.

Proposals to be discussed will deal with the search for new approaches by trade union committees and economic managers to the problems of improving flight safety and the quality of passenger service, the need for radical improvement in the technology of transportation processes, and mechanization and automation of them as rapidly as possible. Ways of reducing the losses incurred by collectives because of imperfections in existing processes also will be discussed.

[Question] Once the discussion refers to urgent and priority matters, the question of radically improving the situation in those areas which are directly connected with people's lives will obviously be brought up as well?

[Answer] The new economic situation also creates new conditions for the activity of scientific research organization collectives and requires that scientists and specialists be mobilized to radically improve the effectiveness of research efforts and their actual practical value. It is well known that without this, institutes will not be able to earn the funds and to resolve their social problems. A question is also being raised with regard to the need to reexamine enterprises' approaches to the problem of efficiently utilizing personnel; a collective will be obliged to transfer its funds to educational institutions for training each one of its young specialists.

It is planned to review trade union organs' positions with regard to collective contract work and to discontinue regulation of this process from above, since labor collectives have been granted the right to determine both the form and substance of collective contracts and their responsibility for implementing them has been increased at the same time.

Trade union committees have the task of ensuring that the transition to the new economic conditions also entails real changes in speeding up the resolution of social problems. At the same time, the collective itself will bear the basic responsibility for social development.

[Question] Our readers often ask about the necessity of radically changing economic managers' concern for working conditions. Can trade union committees influence the situation here and what tasks will be set for them in this regard at the plenum?

[Answer] Trade union committees are obligated to resolutely stop any attempts by economic managers to better their financial position by economizing funds allocated for labor protection. Ways of resolving the problems of providing sanitary and everyday accommodations for aviation workers, as well as putting them in exemplary order, within the next 2 years, as well as improving the supply of special clothing and individual protective equipment and strengthening measures to prevent injuries where production is intensified and technological processes are made more complex, will be examined. The unfinished work of trade union committees in this area will be analyzed.

Under the conditions of cost accounting and self-financing, there is increased need to struggle to reduce losses of work time from illnesses and injuries, which entail direct losses in collectives' financial activity.

[Question] And of course, the housing problem will also be reflected in the report?

[Answer] Under the new economic conditions, there is need for increased attention from trade union committees at all levels to resolve the housing problem, which is critical today. Ways of resolving this complex problem, of utilizing social development funds fully and efficiently, and of getting rid of the parasitical attitudes of a certain number of aviation workers will be analyzed.

We are setting trade union committees the task of taking an active part in carrying out the "Two-Year Youth Dormitories" plan announced by the AUCCTU Secretariat and the Secretariat of the Komsomol Central Committee. The collectives of enterprises, organizations, educational institutions and dormitory facilities will be involved in its implementation.

A question is being raised regarding the concern of labor collectives, economic managers and trade union committees for improvement in services at enterprises and aviation installations, the expansion of nonspecialized paid services for the public, and the output of consumer goods.

In this connection, it should also be mentioned that the report sets important tasks for trade union committees and the legal inspectorate of the union's central committee in protecting the legal rights and interests of aviation workers and in monitoring adherence to labor legislation under the new economic conditions and improvement in wages.

The problems of further improving the style, forms and methods of work within the trade union are also being reviewed, primarily in connection with extending democracy and self-management and with bringing the structure of trade union organs into conformity with the sector's draft general plan and the changes in accordance with the Law on the State Enterprise.

I want to mention that the questions raised are being discussed in trade union organizations in localities so that the plenum participants take the opinions of a broad range of aviation workers into consideration and introduce specific proposals which make it possible to adopt more efficient solutions for restructuring trade union work.

In conclusion, in using this occasion, I want to ask readers to take part actively in discussing these problems in the pages of *Vozdushnyy Transport* and to express their thoughts and ideas and make suggestions.

8936

#### Magadan Directorate Prepares for New Program to Satisfy Consumers

18290042d Moscow VOZDUSHNYY TRANSPORT in Russian 10 Nov 87 p 3

[Interview with V. Melnik, chief of the Production Organization Department of the Magadan Administration of Civil Aviation, by *Vozdushnyy Transport* correspondent M. Ilves: "The Maximum Program Starts in the Spring"; first two paragraphs are editorial introduction]

[Text] The Magadan Administration of Civil Aviation has begun working out its program to meet 100 percent of the public's demand for air transport. In considering the importance of the problem, the ministry has defined it as the basis for further expansion of this undertaking.

The program should be put into effect as early as next summer. How are preparations to introduce this system, which is totally new for our means of transportation, proceeding? Our own correspondent, M. Ilves, asks V. Melnik, chief of the Magadan Administration's Production Organization Department, about this.

[Question] Such an important objective as fully meeting the demand for air transport cannot be achieved without an appropriate base. How did the administration come to develop the new program?

[Answer] This program is not being established on a bare space, of course. Our oblast, as well as most of the areas which are far removed from the European part of the country, incidentally, has two typical one-way passenger flows: in the first half of summer, a considerable number of our people leave here on vacation, and nearer to the fall, the mass of people returns. In general, these are not spontaneous situations. In the Far North, aircraft are the public's only means of transportation to the country's central regions. And since most workers' vacations are planned in advance, we can plan for their departure in good time "to the continent," as we say. It is precisely for this reason that our administration has organized the advance sale of air tickets for many years. A considerable number of oblast residents are provided with round-trip tickets for the vacation period in this way by early spring.

This service is being gradually improved. This year, for example, tickets often have been sold right at the enterprises. The sale of return-trip tickets on our administration's flights has increased significantly.

There has been an obstacle in our work, however. We have not been meeting orders for air transportation fully; 70 percent is the ceiling we have been able to reach.

That is precisely the point of the new program: we are removing this limitation. And that is why it is called a program to meet demand in full.

[Question] But the problem has always turned on the shortage of aircraft. How do you plan to resolve it this time?

[Answer] By moving aircraft into position, first of all. And we are relying on assistance promised by the ministry, in the second place.

[Question] Please elaborate on these general conditions.

[Answer] In past years, all our work to organize advance ticket sales for vacationers was based on an application campaign. And it is being organized on this principle now. But we have prepared a new type of individual orders for 1988 which will go to the TsAVS [Central Passenger Ticketing Agency] from enterprises and organizations in the oblast. It differs from the old version in several ways. While we previously had the right to adjust the beginning of vacation by 10 days, we are limited to 3 days now. Before, we would send a person only to those cities which were linked to Magadan by direct flights, but now we are accepting orders for the actual destination of the trip. A paragraph on a layover between flights is being added for the first time: if a person will have to stay at a given point for some time, this will be taken into account.

In December, order forms and instructions on filling them out will be coming to enterprises and organizations. At the same time, we are planning to have an explanatory campaign in the local press.

In January, when the future vacations will have been already approved, the applications will go to the ticket agencies. Then they will all be passed through the information computer center. And this processing will enable us to move the aircraft into position. The data provided by the IVTs [information computer center] will determine the periods of time required to organize additional flights, to shift the basic ones or to change reservations. This is precisely the way we will meet 100 percent of the public demand for air transport.

[Question] Evidently the programmers will have an important role in all this work.

[Answer] Our main hope lies with them. Incidentally, we are collaborating with the Riga TsNII ASU GA [Central Scientific Research Institute of Automatic Control Systems for Civil Aviation] to develop the entire program. We are just now approving the new application forms there. Our Riga colleagues are also helping us to adjust schedules.

As far as our Magadan programmers are concerned, they are already experienced in this; they became involved in this work the last season for the first time. And we immediately eliminated 4,000 duplicate applications from those who had signed up on various lists "for any flight." These are the kinds of details that the computer enables us to bring to light and take into consideration.

[Question] When will Magadan residents be able to obtain their tickets?

[Answer] In April, as usual. But this time all the vacationers will be provided with round-trip tickets. Moreover, we now intend to cover all applications in the oblast, to reach even the most remote points "off the beaten track," to ensure that no organizations are left without tickets.

[Question] It would be interesting to look at the results of this program. If it turns out favorably, it would be a useful experience for other administrations as well.

[Answer] We will willingly share it with them, of course. Especially as the representatives of many neighboring administrations could not come here, although they were invited, for a conference in September to discuss the fine points of the program, which had just begun. But the work is really helpful. And it is responsive to the spirit of our time.

8936

#### Flexible Tariffs Needed to Satisfy Seasonal Fluctuations in Demand

18290042e Moscow VOZDUSHNYY TRANSPORT in Russian 10 Nov 87 p 3

[Article by P. Tsyganchuk, senior cargo flight dispatcher in Murmansk, under the rubric "We Continue an Important Discussion": "Flexible Tariffs are Necessary"]

[Text] Like A. Kosteyev, the author of an article published recently in *Vozdushnyy Transport* (No 120), I have long been concerned by the question of whether empty

flights from northern airports to the central and southern parts of the country are unavoidable.

I have worked for many years at the Murmansk Aviation Enterprise in the Arctic, and I see the same thing year after year: Murmansk residents' demand for air transportation is not being met from April to August. On the other hand, one can depart freely beginning in September, but then returning is a big problem. At the same time, aircraft often depart from Murmansk half-empty in the fall and winter season. Our problem of providing for cargo transportation is critical throughout the year. The aircraft which arrive with fruit and vegetables return from Murmansk empty, as a rule. But is it really economical to carry "air?"

Hundreds of thousands of tons of different cargoes, including fish and fish products, nonferrous metals, and imported instruments and equipment, are being shipped from Murmansk by rail or truck. At the same time, half-empty passenger and cargo aircraft are departing in the same direction. Why, one may ask? Perhaps we aviators are serving our customers poorly? No, I would not say that. We devote considerable effort to attract cargo customers. For example, last year the aviation enterprise fulfilled its plan to dispatch cargo shipments by 125 percent. At the same time, the volume of goods carried by air, compared with the overall volume of cargo shipments from our oblast, was simply meager.

In my view, the basic reason is that our tariffs for cargo shipments in Aeroflot are more than 10 times higher than those in rail transport, for example. And now, with enterprises shifting to self-financing and cost accounting, the economic manager has begun to take money into consideration more carefully. But I will note that the money is mainly "his," and not the state's as a whole. For example, an airliner carries "air" to Moscow or Leningrad and a train or a truck follows it to the same place. An economic manager uses air transport only as a last resort, because he cannot afford it. But is flying an empty aircraft really inexpensive? There is no question that it is very expensive, both for Aeroflot and the state. What is the solution? To persuade the economic manager to make wider use of air transport services. But you will never convince him with appeals. An effective economic lever and mutual interest are needed. At a time when aviation enterprises' independence is being broadened, it is expedient to give their managers themselves the right to set flexible tariffs for cargo shipments on aircraft making flights that do not involve transshipment at intermediate airports, depending on the volume of the cargo consignment, the demand for air shipment, and other factors. Such a tariff could be preferential, but not below the amount charged for cargo shipments by motor transport.

By utilizing aircraft efficiently, we could significantly reduce the national economy's requirements for the use of motor and rail transportation and help to speed up the

inclusion of physical assets in the production process. Considerable monetary assets and fuel and power resources could be economized.

I believe that the question raised concerns more than Murmansk alone.

8936

**Helicopter Crews Aid Construction of Magnitogorsk-Beloretsk Electric Line**  
*18290042f Moscow VOZDUSHNYY TRANSPORT in Russian 12 Nov 87 p 1*

[Report by public correspondent A. Sivokon under the rubric "Reportage of Current Interest": "In the Sky Over the Urals"]

[Text] Beloretsk - Ashkhabad—The managers of Bashkirneft had asked the Ashkhabad Aviation Enterprise for assistance. They need experienced helicopter pilots for construction of the power transmission line which passes through the mountains of the Southern Ural region.

Before long the crew of an Mi-6 helicopter, manned by commander V. Kiselev, copilot A. Cherepnev, navigator V. Radinovskiy, flight engineer G. Lebedev and radio operator A. Chuprov arrived to transport a support for the power transmission line which will link the Ural cities of Magnitogorsk and Beloretsk.

I visited these areas recently. Early in the morning I met V. Kiselev's crew; the crews were getting ready for their flights. Radinovskiy was bending over a chart in the navigators room. Although he is an experienced specialist, this is only his second year in the "shesterka" [Mi-6]. And it is his first time for construction of an LEP [power transmission line], especially in the mountains. For this reason, he studies the checkpoints along the route of flight again and again and devotes his attention to precise calculation of the dangerous altitude. The differences in elevation in this region range from 500 to 800 meters above sea level... The navigator and a representative of the client explain the arrangement of the points required. The radio operator, meanwhile, is checking communications details.

Finally, the quiet of the morning is broken by the engines being started. Soon after, our helicopter lifted off from the pad and hovered over the construction base area, where the aviators had to pick up a concrete support weighing about 6 tons. I hear radio operator Chuprov's report on the intercom:

"We have the load!"

The commander climbs and heads east, toward the route of LEP-220, which is under construction.

After circling and establishing the wind direction, the crew brought the heavy aircraft down as if they were aiming it. Finally I saw the point required, marked by small red flags. Now everything depended on the radio-man-equipment operator and on his experience and skill to position the support accurately. And the task is not an easy one, frankly: the reinforced concrete support must be lowered so that its butt end is positioned at the hole to be excavated. Chuprov has plenty of experience; he has been working on the Mi-6 for over 12 years now.

I hear the radio operator's confident voice on the intercom:

"Altitude 100 meters... 50... I'm watching the site... 10 meters below... 3 meters... 2 meters below... Load released!"

After four flights, we didn't notice that dinner time had arrived. We were met in Beloretsk by P. Yudin, chief of a construction and installation unit building the LEP. I ask him:

"Are the power engineering workers satisfied with the helicopter crews' work?"

"Of course! Construction of the power line is proceeding twice as rapidly with the helicopter crews' assistance."

In the evening, crew commander Kiselev summed up the results of the work day. Everyone performed competently, without criticism. They had accrued 6 hours and 30 minutes of flying time and transported nine supports and their bases, loads totaling 80 tons altogether.

8936

**Vnukovo Production Association Workers' Dialogue with Ministry**

**Editorial Introduction**

*18290042g Moscow VOZDUSHNYY TRANSPORT in Russian 12 Nov 87 p 2*

[Report prepared by special correspondents Ye. Baulin and N. Kadilov under the rubric "Party and Political Work: A Change Toward People and Vital Affairs": "The Lessons of Glasnost"]

[Text] One day recently, on the eve of the 70th anniversary of the Great October Revolution, hundreds of aviators came to the Palace of Culture and Engineering to have a discussion with the managers of administrations and departments of the Ministry of Civil Aviation, the Political Administration of Civil Aviation, and party raykom and rayispolkom workers; to make their suggestions and requests; and to obtain answers to their questions.

A considerable number of the 400 problems were selected in advance. In addition, the meeting's organizers brought portable microphones into the hall so that each person could speak without formalities or going to the rostrum, take part in a discussion of urgent matters and problems in the enterprise and the sector, and openly express his view on the motive forces of restructuring and the obstacles to them.

A lively dialogue was held for over 5 hours, during which different and at times polarized viewpoints were expressed. And at the same time, this was a common search for the solution to pressing problems. Each question—even if it was a personal one, affecting the interests of only a small group of people, or just one person—was important and required a direct, honest answer and a solution based on principle.

There has been an urgent need for such a meeting. The decree recently adopted by the CPSU Central Committee "On glasnost in the work of party and trade union organizations and soviet organs in Vladimir Oblast" stressed the need to extend glasnost with new vigor.

In a word, it was as if both managers and ordinary workers learned lessons in glasnost and democracy again during the course of the meeting.

#### Flight Service Chief's Responses

18290042g Moscow VOZDUSHNYY TRANSPORT in Russian 12 Nov 87 p 2

[Responses to questions by M. Tereshchenko, chief of the Flight Service Main Administration of the Ministry of Civil Aviation]

[Text]

#### Questions on the Agenda:

*Are contradictions in the different documents on flight work organization being eliminated?*

*How will the wage system for flight specialists be improved?*

*How justified is the structure of a flight detachment being proposed by the ministry?*

[Answer] The question concerning the procedure for transferring flight personnel from the Vnukovo Production Association to the TsUMVS [International Air Services Central Administration] and the 235th Detachment is a natural one. We have proposed that such a transfer take place only after coordination beforehand with flight service supervisors in the association and when there is a positive decision on the limit of registration credited to the TsUMVS.

It has been suggested that salaries for command and flight personnel be introduced during the summer in accordance with the actual flying time accrued independently. As soon as we receive information from all the administrations, the proposals will be passed to the Economic Planning Main Administration and the Labor and Wages Administration.

In connection with the shift to cost accounting, a reduction of command and supervisory personnel in flight detachments is being proposed... Enterprise managers, in co-ordination with public organizations, are being given the right to establish the structure of subunits.

A number of notes express apprehension concerning the lower quality of flight methods work in connection with reduced instructor staffing in the flight detachment structure being proposed by the ministry. At a conference of command and supervisory personnel where this structure was discussed, the view was expressed that many instructors are accruing up to 70 hours of flying time and do not have the opportunity to carry out flight methods work properly. New standards for flight instructor personnel have been introduced now and the question of improved wages for command and flight personnel is being studied. The right of an enterprise manager to increase the number of flights with instructors in all specialties for crew training, depending on production needs, is being reviewed.

This question also was received. "Cockpit personnel of the 65th Detachment are incurring financial losses from their 'charitable' activity in retraining pilots from other administrations in the Il-86. Doesn't the ministry think that such a procedure should be changed?"

The ministry believes that this is not a really legitimate practice. There are already documents at present which authorize payment of instructor personnel by administrations which send pilots for retraining, as well as the appropriate redistribution of fuel limits.

As far as redistribution of air routes is concerned, this matter cannot be resolved favorably, since the cockpit personnel being trained are often from those administrations which are not using the Il-86 yet and their ground facilities are not prepared to accommodate aircraft of this type. The air routes are maintained by the Ministry of Civil Aviation.

"Review the instruction in part of the retraining of young specialists and flight school graduates for the Tu-154 in order to establish a reserve of specialists for the Il-86."

The opinion of the Flight Service Main Administration on this matter is unfavorable. Permitting the graduate of even a higher flight school, who possesses neither experience in life, nor the needed level of professional training, nor experience in working independently, to fly in first-class aircraft is unjustified.

Incidentally, the same proposal came from the International Air Services Central Administration. And I will say, inasmuch as we are speaking frankly, that such requests sometimes arise in connection with the so-called "filial question." We have not considered it possible to resolve this favorably.

A question is raised concerning the fact that individual provisions in our documents contradict each other. Work is now being completed on the review of documents which regulate flight activity. A decision to rescind 375 instructions, directives and orders in force is being prepared. The remainder, and there are about 180 of them, will be unified and their requirements will be put into handbooks and manuals. In November, the ministry's Flight Safety Council will review and adopt a new structure for guidance documents. In our opinion, it should drastically reduce the number of documents needed for training aircraft crew members. That is, there will be three manuals, four at the maximum, instead of 19.

#### Deputy Minister's Responses

18290042g Moscow VOZDUSHNYY TRANSPORT in Russian 12 Nov 87 p 2

[Responses to questions by V. Gorlov, deputy minister of civil aviation]

[Text]

#### Questions on the Agenda:

*Broader use of the cooperative system among administrations is necessary for efficient utilization of aviation equipment.*

*Ground support for flights is lagging unacceptably behind the requirements of modern aviation equipment, particularly advanced aircraft.*

*Aviation specialists are becoming aware of a critical shortage of training aids and literature on modern types of aircraft.*

[Answer] The Vnukovo Production Association has an additional task as well now: to organize a cooperative method among administrations for aircraft operation. Without it we cannot operate aircraft such as the Il-86 and Tu-154 efficiently. This year we must provide well-founded recommendations on this method. This is the way it stands: it should be advantageous for an enterprise which has custody of aircraft to seek a partner under a cooperative system.

Unfortunately, the Vnukovo Production Association, which operates the largest number of gas turbine aircraft, does not have an adequate production and technical base at its disposal. The lack of balance between its development and the prospect of deliveries of new aircraft have

made it necessary for us to drop the question of conducting operational tests of the Tu-204 at your location. This aircraft, like the Il-86, should have base hangars.

**Question from the hall: When will a hangar be built at Vnukovo?**

[Answer] We were not provided with money for construction in this five-year plan. My position is that the first hangars must be built at Vnukovo and Domodedovo if we can have construction in the 13th Five-Year Plan.

**When will facilities be developed to determine runway condition? With the existing trolley, we have to drive for 10 minutes to determine the traction coefficient...**

We have not managed to resolve this problem yet, although a system has been found. We have adapted a Zhiguli motor vehicle. The AvtoVAZ [Volga Motor Vehicle Plant] is interested in sending us a number of these vehicles. An electronic system for determining the traction coefficient has been developed in Czechoslovakia. We are doing everything to speed up solution to this problem now.

**It is suggested that aircraft with performance which exceeds their service life for hours flown and landings and takeoffs be exchanged between enterprises.**

A directive has already been issued on exchanging a considerable number of An-24 aircraft. The exchange of a number of Tu-154's between administrations has been authorized, and we will be doing this with the Il-86 as well. True, certain managers are trying to use it to update their fleet in general. I would like to warn against this. There will be no such updating as such.

**Question from the hall: Will such an uneconomical aircraft as the Yak-40 be in use for long?**

[Answer] We have nothing to operate on local routes now. Until new types of aircraft arrive—the Il-114 and the L-610—we will have to use the aircraft that are available.

**Concerning the shortage of training aids on the aerodynamics of the Il-86 and engines...**

[Answer] We are receiving a set of documents in accordance with the GOST [State All-Union Standard], and the literature for use by the engineer and the pilot is not getting to us. For example, the "Regulations on Technical Operation" consists of about 20 books, one-half cubic meter, which you cannot carry and no one will give to you, either. The set of literature on the Il-86 costs several thousand rubles.

We will now be organizing the publication of handbooks on practical aerodynamics and descriptions of aircraft and engines. These will not be standards documents, but aids to improve your knowledge.

**Question from the hall: Will the difference in the wages of flight and technical personnel be equalized?**

[Answer] We must be realists. It will not be equalized.

#### ATC Chief's Responses

18290042g Moscow VOZDUSHNYY TRANSPORT in Russian 12 Nov 87 p 2

[Responses by V. Shelkovnikov, chief of the Air Traffic Control Central Administration, to questions from employees of the Moscow AUVD [Automated ATC Center]]

[Text]

*Why do former pilots unwillingly join the ATC service?*

*How can the controller be concerned with fuel economy?*

*Is cost accounting being stiffened for air traffic controllers?*

[Answer] Experienced pilots who are able to work in the ATC service will come to us if it is decided to raise the "ceiling" on wages when pensions are retained. The matter is being reviewed.

**On remuneration for controller personnel for aviation fuel economy...** In order to receive a bonus for economy, we must have the means of evaluating the savings.

**Question from the hall: How workable is it to create general ATC associations which are independent from operations enterprises?**

[Answer] A meeting of the ministry's collegium has examined the matter of organizing a state production association for the air traffic service. This involves the airspace used for flight operations and the meteorological and search and rescue service, as well as the direct control of air traffic. The decision adopted has been sent to the USSR Council of Ministers for approval of the establishment by stages of the State OVD [Air Traffic Service] Association.

The organization of the state association will be formed in the first stage. It will become the organization for an interdepartmental commission on a unified ATC system at the same time. The Moscow Center (it will be called the "Moscow Production Association of Air Traffic Control") and the North Caucasus and Simferopol Centers also will be moved to it in the first stage. As an experiment, establishment of a Western ATC Center is being planned as well.

The change in the economic mechanism requires a change in indicators for the work of the ATC service as well. It is not reflected in any way by passenger turnover. Another indicator is used by all countries in the world: the number of aircraft served per unit of distance, based on aircraft flying weight. We are already using it to levy the air navigation duties for foreign airlines. We will also be using it with our enterprises. Revenue rates have now been worked out.

#### Union Official's Responses

18290042g Moscow VOZDUSHNYY TRANSPORT in Russian 12 Nov 87 p 2

[Responses by V. Katkov, secretary of the Aviation Workers Trade Union Central Committee]

[Text]

#### Questions on the Agenda:

*How will the work and relaxation conditions for aviation workers be improved?*

*Does a pilot have priority in receiving housing?*

*Where and how can an aviator relax?*

[Answer] It is planned to complete the draft of new regulations on work and relaxation conditions by the end of this year. Many suggestions from localities, including the Vnukovo Production Association workers, will be taken into consideration.

*It has been suggested that an annual record of work time be introduced for flight personnel in transport aviation. Adoption of such a proposal may lead to an unequal workload for the time, which will have a harmful effect on pilots' physical condition and flight safety. We cannot agree with such a formulation of the question.*

**Regarding facilities at sanatoriums and health resorts.** Authorizations for civil aviation workers to go to trade union sanatoriums are being increased through the social insurance funds. Trade union vouchers are being provided in accordance with a higher norm (28 vouchers per 1,000 workers). Apart from this, aviation workers are receiving vouchers through funds for social and cultural measures as well. Thus, the workers in your association have 38 vouchers per 1,000 workers for treatment annually.

**The question on developing material resources to expand family relaxation is stated correctly.** Yes, we will be improving the organization of family relaxation. A holiday hotel will be put into operation in Yermolino in the near future after capital repair. Renovation of the "Yakornaya Shchel" holiday hotel is continuing. Considerable resources are being developed with the introduction

of Aeroflot's sanatorium in Ponizovka, in the Crimea. We also have to think about establishing a sanatorium and clinic for the Vnukovo Production Association.

**Regarding housing for aviation workers.** This is a sore point for us, and you realize that it is not being resolved as successfully as we would like, of course. We are asked if there are documents which give priority to flight personnel in housing. I respond that this has not been mentioned in any regulation.

Perhaps not everyone is aware of the existence of certain privileges in the resolution of housing problems. For example, under the USSR Council of Ministers Decree No 765 of 19 August 1982, by joining a housing construction cooperative a manager may provide economic assistance to repay part of the initial installment and the remainder of the bank credit received for construction of a cooperative apartment. A decision is made individually for each candidate. Repayment is made with assets of the economic incentive fund and the fund for social and cultural measures.

**Ispolkom Official's Responses**  
18290042g Moscow VOZDUSHNYY TRANSPORT in Russian 12 Nov 87 p 2

[Responses by Ye. Gavrichev, deputy chairman of the Ispolkom of the Solntsevskiy Rayon Soviet of People's Deputies]

[Text] [Editorial note] "When the discussion turned to social matters, the remarks were particularly critical in nature. And this is natural. A great many shortcomings have accumulated in organizing everyday services for the Vnukovo aviators."

[Answer] Our voters are disturbed about the public services problems in the settlement of Vnukovo. They have been reviewed at a session of the settlement's soviet of people's deputies.

Just what has been done? A pedestrian path has been provided between Microrayon No 1 and the Vnukovo railroad station, and paving of roads and bus stops is under way.

Questions are being asked about increasing the number of buses to Vnukovo Airport (Nos 126, 511, 753). One bus has been added on Route No 753 and scheduling is being reviewed. A change in Route No 126 is being studied. Steps are being taken to have bus No 511 run regularly.

**A group of questions on shopping services.** They ask for a children's store to be opened in the settlement. This is not possible. The question of organizing a children's section in the existing store is being studied.

Construction of a shopping center and store had been planned, but funds were not allocated for these purposes.

There are complaints about available housing. Your questions have been noted. We will have deputies check your housing conditions and take the necessary steps.

**Question from the hall:** There was a breakdown at the new houses in the northwestern area because electric power lines were broken. A high-voltage cable to the houses was damaged by construction workers. But they reported to you that everything had been done.

[Answer] Yes, there was really an accident; construction workers damaged the cable with a power shovel. The problems have been corrected, and a reserve cable has been laid in addition to the basic one.

**Question from the hall:** Not all the houses have been prepared for winter on Sportivnaya and Bolshaya Vnukovskaya Streets. The number of complaints is increasing. When will this situation be corrected?

[Answer] The available housing is the responsibility of the Vnukovo Production Association, and its managers should take steps.

**Question from the hall:** It was suggested at a session of the settlement's soviet of people's deputies that the settlement's liquor store be closed. But the store continues to sell alcoholic beverages.

[Answer] The ispolkom will look at the problem of the store's operation and make a decision.

In conclusion, I would like to point out that the problem of developing and adopting an overall plan for economic and social development of the settlement of Vnukovo is long overdue for solution. Aviation workers should speed up solution of this problem.

**Other Officials' Responses**  
18290042g Moscow VOZDUSHNYY TRANSPORT in Russian 12 Nov 87 p 2

[Text] T. Temkina, chief of the Labor Organization and Wages Administration, answered questions on wages and economic incentives. V. Stepanenko, chief of the Operation and Repair of Aviation Technical Equipment Main Administration, responded to questions about the organization of technical equipment maintenance and the prospects for it. I. Razumovskiy, chief of the Orders and Supply of Air and Ground Technical Equipment Main Administration, and V. Yermakov, chief of the Labor Protection Department, answered questions on material and technical supply and improvement in working conditions.

Results of the meeting were summed up by V. Kolchakov, chief of the Political Administration of Civil Aviation. He responded to questions that were asked and noted that the meeting had been useful and productive.

## TRANSPORTATION

The problems cited in the notes received and in questions during the discussion will be studied closely in the Ministry of Civil Aviation and workers of the Vnukovo Production Association will receive responses to them.

### Participants' Comments After Meeting 18290042g Moscow VOZDUSHNYY TRANSPORT in Russian 12 Nov 87 p 2

[Comments by B. Staroverov, senior controller of the traffic service; S. Komasko, engineer at the aircraft maintenance base; and I. Petrenko, chairman of the War and Labor Veterans Council of the Vnukovo settlement; remarks published as boxed material at conclusion of reportage on the meeting]

[Text] [Staroverov] I consider such meetings very useful. They enable us to acquire information of interest to the workers firsthand, so to speak. And this is very important.

As an example, I was interested in questions on the preparation of documents regulating controllers' work and the role and place of individual subunits in the traffic service. I received comprehensive information on them, and I will inform my comrades who were unable to attend the meeting.

There is a strong desire to have this documentation drafted, approved, and put into effect as rapidly as possible.

Controllers are very interested in the new progressive organization of work, which we cannot do without now.

[Komasko] The presence of high-ranking officials of the Ministry of Civil Aviation at the meeting also gave importance to the discussion.

There is hope as long as such meetings become part of the system, one would think. Answers that are a little more specific, what has actually been done or is being done, and if not, why and who is to blame.

A note was submitted during the meeting in which the writer said literally the following: "...for 10 years we have been hearing what the deputy minister of civil aviation, Comrade Gorlov, was talking about, but no progress is being made."

We can judge the nature of a question in different ways, but it comes down to one conclusion—a little more specificity in each answer.

[Petrenko] When they learned about the meeting, residents of the Vnukovo settlement who are not working in the association now came to it. They were vitally interested in the problems of the settlement's public services and the available housing, that is, the problems which today are united under the heading of "social, cultural, and living conditions."

A great deal depends on local organizations in resolving these pressing problems. This is why so many questions were asked of the Solntsevskiy Rayon Soviet of Workers Deputies. And it must be said that we were not satisfied by all of the answers. We are not receiving assistance from the rayispolkom yet in resolving individual problems of public services for residents of the Vnukovo settlement.

8936

### Plenum of CC of Aviation Workers Union 18290047a Moscow VOZDUSHNYY TRANSPORT in Russian 26 Nov 87 p 1

[Text] The third regular plenum of the Aviation Workers Trade Union Central Committee has been held in Moscow.

Plenum participants discussed the question "Reinforcing the work of trade union committees in shifting aviation enterprise collectives to the new economic operation and wage conditions in light of the decisions of the 27th CPSU Congress, the June (1987) Plenum of the CPSU Central Committee, and the 18th Congress of Trade Unions of the USSR."

A. Gridin, chairman of the Aviation Workers Trade Union Central Committee, delivered a report.

Taking part in a discussion of the report were I. Zvinnik, chairman of the Ukrainian RK [Republic Committee] of the union; A. Kaledin, Il-86 aircraft commander from the Vnukovo Production Association; N. Yavorskaya, chairman of the trade union committee of the Murmansk UGKS [Hydrometeorology and Environmental Monitoring Administration]; V. Salnikov, flight operations officer of the Tolmachevo Aviation Enterprise Traffic Service, West Siberian Administration of Civil Aviation; B. Panyukov, first deputy minister of civil aviation; V. Kazantsev, traffic service flight operations officer and chairman of the labor council for the collective of the Chelyabinsk Aviation Enterprise; I. Ovcharova, duty officer of the Rostov Aviation Enterprise Transport Organization Service; V. Nikitin, chief of the Economic Planning and Financial Administration of the Goskomgadromet [State Committee for Hydrometeorology and Environmental Control]; and V. Belyakov, aircraft technician brigade leader of the Nyurba Aviation Enterprise ATB [Aircraft Maintenance Base], Yakutsk Administration of Civil Aviation.

The plenum adopted a resolution on the question under discussion. Responsible officials of the CPSU Central Committee, the USSR Council of Ministers, the RSFSR Council of Ministers, the AUCCTU, the USSR Gosplan, the USSR Goskomtrud [State Committee for Labor and Social Problems], the RSFSR Committee of People's Control, the Ministry of Civil Aviation, the Political

Administration of Civil Aviation, the USSR State Committee for Hydrometeorology and Environmental Control, and the DOSAAF Central Committee took part in the plenum's work. A meeting of the permanent commissions and the Social Insurance Council of the trade union's central committee was held as well.

8936

**Reporting from 3d Plenum of CC, Aviation Workers Union**  
18290047b Moscow VOZDUSHNYY TRANSPORT in Russian 28 Nov 87 pp 1-2

[Report by *Vozdushnyy Transport* special correspondents Yu. Belikov, A. Zhurin and A. Korolev on proceedings of the Third Plenum of the Aviation Workers Trade Union Central Committee: "Revolutionary Acceleration for Economic Reform"; editorial introduction in first seven paragraphs followed by two boxed paragraphs of editorial comment]

[Text] As already reported in our newspaper, the Third Plenum of the Aviation Workers Trade Union Central Committee has been held in Moscow; it discussed the question of reinforcing the work of trade union committees to shift aviation enterprise collectives to the new economic operation and wage conditions in light of the decisions of the party's 27th Congress, the June (1987) Plenum of the CPSU Central Committee, and the 18th Congress of Trade Unions of the USSR.

A. Gridin, chairman of the Aviation Workers Trade Union Central Committee, delivered a report.

Plenum participants assessed the first steps taken by trade union organizations in restructuring and analyzed their experience in improving all aspects of the lives of labor collectives. The following important problems were raised:

—on vitalizing the role of trade union organizations in preparing enterprises and organizations for the shift to full cost accounting and self-financing and the introduction of new wage rates and salaries which follow from this. This involves establishing the conditions necessary for putting the Law of the USSR on the State Enterprise (Association) into effect;

—on the urgent tasks of trade union committees in restructuring the organization of socialist competition and reorienting it to the new methods of economic operation; reinforcing practicable competitiveness among those competing; and improving the practice of identifying the winners in labor competition and providing incentive to them, taking into account collectives' focus on radical improvement in the quality indicators for flight safety and regularity, passenger service, and reinforcement of discipline;

—on increasing the responsibility of economic managers and trade union committees in resolving social problems—introducing a system for administration of labor safety procedures, improving the health and living conditions of aviation workers, building housing and developing a network of cultural and sanitary institutions; and

—on increasing the role and independence of primary trade union organizations under the conditions of extended democracy, the spread of glasnost, and the shift to economic methods of management and closer interaction with collectives' labor councils in resolving production and social problems.

[Boxed item: The plenum which was held has become a major event for trade union organizations and collectives of aviation workers. The exchange of views on the role and place of trade union committees with respect to civil aviation's shift to the new economic operation and wage conditions took place in a businesslike, democratic atmosphere. The discussion was frank and open to debate and criticism.]

The main thought expressed was that only intensive, creative work by all trade union committees and aviation enterprise collectives and every aviation worker will ensure a smooth transition of the sector's economy to the new conditions according to plan. In order to reach this goal, it is necessary first of all to adjust the economic mechanism, to orient socialist competition toward the achievement of high end results, to improve aviators' living and working conditions, and to ensure that the broad rights being given to production collectives by the Law of the USSR on the State Enterprise (Association) are realized to the full extent. At the same time, particular importance should be attached to the affirmation everywhere of glasnost, democracy, open and constructive criticism of the shortcomings that exist, and widespread use of everything that is advanced and of value which is developed in the course of restructuring the economy of civil aviation.]

#### Mastering the Science of Management

[Boxed item: Serious shortcomings exist in trade union organizations' work to prepare for the shift to the new conditions. Bureaucratism is active, inertia is being displayed, and temporizing is apparent. Numerous trade union committees have shirked making suggestions on the formation of economic incentive funds and are slow in organizing work on enterprises' shift to the new wage conditions.]

Civil aviation labor collectives will make the transition to full cost accounting, self-financing and self-support on 1 January 1988. It was stressed in the report at the plenum that Aeroflot is faced with the task of providing for 207.5 billion passenger-kilometers in the third year of the five-year plan.

Fulfillment of the state's order and contracts is becoming the principal criterion in evaluating enterprises' activity and collectives' economic incentive. In addition, stable norms will be in force. They have been worked out for the 1988-1990 period jointly by the ministry and the trade union central committee, taking into account the targets of the 12th Five-Year Plan, suggestions from local areas, and the levels of profitability of enterprises and administrations which have actually taken shape.

However, republic and territorial committees of the trade union have remained aloof from joint work with economic managers in forming economic incentive funds for the administrations. In the initial stage of the work, practically no suggestions on calculation of norms were received from the Kazakh, Kirghiz, Moldavian and Tyumen Administrations and the RTK's [republic and territorial committees]. Many RTK's limited themselves to just formal agreement with the indicators proposed by specialists, without carefully considering the substance of the matter. But after all, democratization of planning makes it incumbent on trade union committees to provide for the direct participation of every aviation worker in the shaping of plans.

As checks in the Northern, Tajik, East Siberian, Kirghiz, and a number of other RTK's have shown, aviation enterprises' trade union committees are not prepared today to take an active part in the economic processes that have begun and to have an effect on them. The fact that not one administration was able to fully utilize the economic incentive fund attests to this; the fund surplus for civil aviation as a whole amounts to 173 million rubles for the beginning of the year, that is, it is equal to the annual fund for the sector.

An increase in enterprises' profitability is a guarantee of successful work by collectives under the conditions of cost accounting and self-financing. In this connection, the task which has to be faced by economic managers and trade union committees is complicated considerably by the fact that there are numerous enterprises in civil which are operating at a loss at present. The number in the Magadan, North Caucasus, Yakutsk, and other administrations is particularly high.

The ministry and the trade union central committee have outlined measures to cut back the financial losses of these enterprises and make them profitable. In particular, the rates for airborne chemical treatment operations, which incurred one-third of the financial losses, are being increased in the new year. Collectives will be granted a subsidy for 1988 to replenish economic incentive funds. Concentration of the fleet of heavy aircraft, extension of the cooperative method in utilizing them, improvement in the transportation structure—primarily on local routes, technical reequipment and improvement in production organization will be continued.

It is necessary to expand the provision of nonspecialized services to the public more actively in resolving this problem. The plan for 1988 calls for services valued at nearly 60 million rubles, which will become part of the state order, to be provided. It is planned to turn out consumer goods valued at 6 million rubles at civil aviation plants at the same time.

Nothing which replenishes the "cash box" of the labor collective can be neglected in the sector's transition to cost accounting and self-financing. In resolving the problem of reducing financial losses, trade union committees are obligated to take a firm position in defending the interests of labor collectives, and to not permit all work to come down to mechanical elimination of unprofitable enterprises, which would adversely affect the destinies of many persons.

Preparation for the Law of the USSR on the State Enterprise (Association) to come into force on 1 January 1988 is another urgent task which faces the trade union committees and all labor collectives today.

I. Zvinnik, chairman of the trade union's Ukrainian RK [Republic Committee], noted that the transition to full cost accounting is making its way with difficulty. We are forced to continue the faulty practice of redistributing receipts for the benefit of enterprises that lag behind by infringing on the interests of the advanced collectives. A number of aviation enterprises are operating at a loss in the Ukraine.

At the same time, organizational work at all levels leaves something to be desired. We are approaching the change in structure timidly. Both in our administration and the Ministry of Civil Aviation, every department warns: do not touch the flight service, do not touch the UVD [air traffic control] service—this is dangerous; at the top they advise us not to reduce the number of workers in transport services because the quality of service will suffer. But this is a matter for collectives themselves, after all. There are examples of this. In the Boryspol Aviation Enterprise Air Traffic Control Service, for example, we have proposed a variable work schedule for controllers, making it possible to manage with 95 specialists instead of 130. And such a schedule is now being approved.

The consolidation of enterprises is also giving rise to concern. We see the solution in a cooperative arrangement for using aircraft.

In conclusion, the speaker made a number of suggestions: resolve the problem of unified planning of AKhR [airborne chemical treatment operations] for enterprises of the USSR Gosagroprom [State Agroindustrial Committee] and Ministry of Civil Aviation enterprises; revise the specific norms of fuel consumption for new types of engines; give up the far-fetched expenditures which have not been corroborated for the depreciation deductions on equipment which completed its service life long ago; resolve the problem of retaining sectorial benefits when

workers are used to build housing with the organization's own resources; and increase the periods for individual builders to pay off a bank loan.

**V. Salnikov**, flight operations officer of the Tolmachevo Aviation Enterprise Traffic Service, described how their collective is preparing for the shift to the new working conditions. A number of problems have arisen in the course of this work: there is no differentiation in salaries among ATC centers and in accordance with specialists' degree of skill; and it is unclear how to combine the lack of cost accounting with the necessary review of salaries if there is one indicator—the quality of work, that is, flight safety.

**A. Kaledin**, aircraft commander from the Vnukovo Production Association, cited the example of this enterprise in describing how old, obsolete methods are being attempted here now to resolve important economic problems which affect the interests not only of the association, but a number of other administrations.

Thus, by decision of the Ministry of Civil Aviation, without the consent of the Vnukovo Production Association, and without studying the association's conditions and features in advance, the association was obliged by administrative pressure to maintain an additional fleet of aircraft and ensure its technical readiness to conduct flights under a cooperative arrangement with the Armenian and Urals Administrations, and then with the Azerbaijan, Georgian and Tyumen Administrations of Civil Aviation. In the view of Vnukovo aviators, this hinders the normal development of the association, and tomorrow it will become an obstacle for all of Aeroflot.

**B. Panyukov**, first deputy minister of civil aviation, noted in his address that restructuring can take place in civil aviation only on the basis of radical changes in the economy. And this in turn is possible only as the result of fundamental reforms in the economic mechanism and the entire system of management. As applied to the sector, labor collectives have been given many opportunities today to resolve their production and social problems independently. However, taking the specific nature of Aeroflot into account, there are particular aspects here as well. Thus, the volume and type of operations performed by airborne chemical treatment workers are determined by the regional administrations they belong to. However, it is generally known that aviators in the PANKh [Use of Aircraft in the National Economy Administration] provide assistance to other administrations. And here it is correct that coordination of these operations is concentrated in the ministry. The same may be said of transport operations when they are carried out under the orders of related sectors. Aviation fuel is being distributed in a centralized manner. It is quite obvious that this important statewide task should be carried out by taking into account the targets set by the party and the government for civil aviation. Trade union organizations have been called upon to play a leading role in all these matters.

#### From the Plenum Resolution

*All members and candidate members of the trade union's central committee and the active union membership of republic, territorial, and trade union committees are to take part personally in preparing enterprises and their subunits to work under the conditions of full cost accounting and self-financing and to render every possible assistance to labor collectives in resolving the economic and social problems which arise.*

#### Improving Competition

[Boxed item: **Trade union committees are inadequately utilizing the organizational force of socialist competition and advanced experience to display labor collectives' initiative and enterprise. As before, their efforts are spent on assembling and summarizing a large amount of data, a complicated reevaluation of indicators, and combining various forms of competition, mottos, and initiatives.**]

Enterprises' shift to self-financing and self-support, the extension of their independence, and the development of self-management are compelling them to look at the role of socialist competition in labor collectives in a new way. It has to be more closely linked with restructuring of the economic mechanism and given economic direction, and the work of primary trade union organizations in developing it has to be radically changed.

The search has now begun for ways to restructure competition. For example, the Sverdlovsk Aviation Enterprise's labor collective is suggesting their own version of an approach to this problem. In particular, it is planned to eliminate competition between structural subunits which sometimes do not even have comparable indicators and concentrate efforts instead on organizing competition within them and between complete shifts.

There should also be a new approach to socialist pledges. Professional groups, brigades and labor collectives must decide how and when they should be made. After all, the lack of personal pledges did not prevent certain members of the fitters brigade of I. Lobanov at Civil Aviation Plant No 402 from actively taking part in competition, being an innovator, and successfully completing the plan for 2 years of the five-year plan by the 70th anniversary of the Great October Revolution.

Competition in the center and locally must be unified, not split into different forms, and directed at fulfillment of the state order, contract commitments, quality, resource conservation, and the achievement of high economic end results in the process.

The solution of problems related to the new methods of economic operation should be directed in the final analysis at improving the quality of all our work, and flight safety first of all. However, the steps undertaken thus far have not enabled the sector as a whole to reach a turning point in this work. The dangerous trends of

increasing accidents have not been eliminated. For several years, the collectives of the Yakutsk, East Siberian and Kazakh Administrations have had the highest accident rates. And now the requirement has to be worded this way: no economic reorganizations should be reflected in the level of flight safety at all!

Republic and territorial committees and trade union committees in localities should transfer the center of organizational work to the local collectives and trade union groups where flight safety is being ensured.

A high level of flight safety and strong discipline are economic categories. Quite a few losses—both moral and material—are incurred by enterprises because of elementary slackness. But how do we measure the moral and political damage inflicted by aviation workers who have allowed serious aviation accidents because of drunkenness and other gross delinquencies? There has been no radical improvement in discipline in the sector this year compared with last year. It is no coincidence that the AUCCTU Secretariat resolution of 27 October 1987 notes that trade union organizations are still not conducting the struggle against drunkenness and alcoholism adequately in the labor collectives of transport sectors, including civil aviation. Under the new conditions of economic operation, it is important to ensure that the movement for a collective guarantee of labor and social discipline receives wide support and dissemination.

The problem of improving the quality of passenger service also was thoroughly reviewed in the report and statements by the plenum participants. The Ministry of Civil Aviation is now completing studies and working out fundamentally new proposals for organizing advertisements and information, the reservation and sale of tickets, registration and seating on aircraft, on-board passenger service, and the registration and issuance of baggage.

It is necessary to ensure that the vital influence of trade union committees and groups and public inspectors of service quality is provided for in all links in the chain of work with passengers in agencies, airports, and on board aircraft. They should display no less persistence and firmness in resolving the critical problem of increasing the level of mechanization in transport services, which does not exceed 50 percent today.

"A high level of scientific and technical production is especially important in restructuring the economy," V. Belyakov, aircraft technician brigade leader of the Nyurba Aviation Enterprise ATB [Aircraft Maintenance Base], said in his speech. "But we don't even have a dock. Maintenance is conducted in the open, where the temperature ranges from plus 35 to minus 60 degrees. Through the ATB's efforts, a steel structure covered with a tarpaulin was built for the Mi-8 section. The Mi-2 and Mi-8 are rolled there after the rotor blades are taken off first. After maintenance they are mounted again. We do

not have enough mechanized facilities. The one truck crane at the enterprise cannot provide for the assembly and dismantling of heavy units in a timely manner."

The GosNII GA [State Civil Aviation Scientific Research Institute] and plants in the sector are not solving the problems of developing and manufacturing small-scale mechanization facilities.

The thought that civil aviation should be flexibly and expeditiously restructured in conformity with advanced achievements in science, engineering, and technology stood out at the plenum. Trade union organizations were called upon to make use of the main and essentially inexhaustible reserve—the human factor, people, and their ability and desire to work creatively and with initiative and to provide for a high degree of organization, discipline and order in every labor collective.

#### From the Plenum Resolution

*Internal production conditions for socialist competition are to be reexamined until the end of this year, taking into account labor collectives' transition to work in the new way, and after directing it to fully meet the demands of the public and the national economy for aviation service.*

#### Demonstrating Concern for People

[Boxed item: **Concern for aviators' living and working conditions is not being demonstrated adequately in the sector. The housing problem is critical as before. Every fifth aviation worker needs improved housing conditions. The network of children's preschool institutions, public dining facilities, and everyday services is being developed slowly.]**

The task of trade union organizations is to ensure that the transition to the new conditions of economic operation involves real changes in the solution of social problems. At the same time, it must be clearly realized, the report stated, that the collective itself has the basic responsibility for social development. This will require that trade union committees act more resourcefully and thrifitly, and by decisively putting a stop to any attempts by certain managers to economize on labor safety and persons' health.

In the next 2 years, as the AUCCTU sets the task, it is necessary to take every step to ensure that aviation workers are provided with sanitary and domestic accommodations. In addition, during this five-year plan we will have to bring more than 70,000 work places into conformity with sanitary norms and significantly improve the provision of special work clothes for aviation workers.

A considerable number of letters were addressed to the plenum on these problems. In particular, M. Pisarenko, an aircraft technician in the Kaliningrad Aviation Detachment, writes: "Our special work clothing and the norms for its issuance will not stand up to any criticism...

Why are we who work under very damp conditions not provided with waterproof clothing and a warm coat? For some reason, only equipment is discussed at all the meetings and conferences. When will the discussion finally deal with what we —the ones who are servicing this equipment—are wearing?..."

**Ye. Yefremov**, head of the Labor Protection Department of the trade union's central committee, commented on this letter during the plenum:

"We agree that it is time to reexamine the norms for wearing special work clothing in certain regions of the country. At the same time, we also are aware that arrangements have not been set up for its storage, washing and repair locally. And this why the clothing wears out prematurely."

There is no question that the GosNII GA has not yet developed models of special work clothing for those working in different climates, including in localities with more dampness. Today economic managers and trade union committees have stopped supervising the provision of special work clothing for persons and have given complete control over this to material and technical supply departments. This practice is wrong.

The plenum devoted its attention to the fact that under the conditions of production intensification, increased technical facilities at enterprises, improved and more complicated technological processes, and rigorous working conditions, managers and trade union committees are obligated to reinforce means of preventing injuries. After all, the number of those injured in production as a whole this year rose by 7 percent, according to the union central committee, and the number who died increased by 16 percent.

Unfortunately, no one is seriously engaged in implementing the comprehensive "Zdorovye" ("Health") program today. More than 22 percent of aviators miss work every day because of injury and illness. The worst illness situation is taking shape in the collectives united by the Latvian, Moldavian, and a number other RTK's.

**I. Ovcharova**, duty officer of the Rostov Aviation Enterprise Transport Organization Service who spoke in the debate, cited this example: 140 persons miss work every day because of illness and injuries. More than a half million rubles of "conditional income" is irretrievably lost to the aviation detachment annually, without taking into account trade union expenses for the wages of those on sick lists.

We have all the conditions to effectively reduce the incidence of illness. Our medical and sanitary unit is superior in procedure to any polyclinic in the city. But labor losses remain high year after year. I believe that, together with certain objective factors, the basic reason is the poor and at times unmethodical work by economic managers, trade union committees, and physicians and

the inadequate mutual contact between them. It is appropriate here to recall Krylov's well-known fable about the swan, the crayfish and the pike who were pulling a cart. With such an approach it is difficult to ensure that the AUCCTU resolution on an annual reduction of 2 to 3 percent in the sickness rate is implemented.

Solution of the housing problem should be a subject of special attention and practical activity for the trade union organs of all levels, the report by **A. Gridin** stated. It will be implemented basically through the funds earned by enterprises under the conditions of cost accounting and self-financing.

The first duty of trade union committees is to monitor the progress of housing construction. And while housing construction has been allowed to lag behind at the airports in Krasnoyarsk and Sverdlovsk, it is not being carried out satisfactorily in the North Caucasus Administration, where nearly a million rubles of state capital investment and 416,000 rubles for cooperative housing construction have not been utilized for 10 months.

In some labor collectives, it is apparent that trade union committees and economic managers do not know how to make use of their own funds. The fact that the union central committee receives many inquiries concerning the allocation of additional funds for housing and other social projects attests to this. However, analysis shows that nearly 100 million rubles from the social development funds, which amounts to nearly two of the ministry's annual plans for housing construction, were not spent for this purpose by enterprises in civil aviation as a whole in recent years. The East Siberian, Kazakh, and Volga Administrations, each of which had surpluses reaching 5 million rubles, displayed needless "miserliness"; in the TsUMVS [International Air Services Central Administration] and the Azerbaijan, Latvian, Uzbek and Estonian Administrations, these sums were twice the amounts of the annual social development funds allocated to them for 1988.

Trade union committees must persistently overcome a negative trend which has been noted: aviation workers' insufficient interest in building housing with their organization's own resources, individual houses, and especially cooperative housing, the proportion of which should be increased up to 20 percent by the end of the current five-year plan. It is extremely important to improve housing distribution and to adhere to housing legislation.

#### From the Plenum Resolution

*In collectives' transition to cost accounting and the new wage conditions, trade union committees and economic managers are to devote special attention to fully providing for aviation workers' sanitary and everyday accommodations up to 1 January 1989. In accordance with the*

*legislation in force, they are to persist in taking advantage of their rights to improve aviation workers' housing, work, domestic conditions and health.*

### Extending Democracy

**[Boxed item: Fundamental restructuring has not taken place yet in the style, methods and forms of primary trade union organizations' leadership and the extension of their independence. Excessive regulation and petty tutelage are being continued, and little practical assistance is being provided to establish suitable conditions for effective use of the rights granted to them.]**

It was pointed out at the plenum that the shift to the new methods of economic operation and the development of self-management in labor collectives establish objective conditions for further democratization within the trade union and make it incumbent upon them to restructure the forms, style and methods of work of the primary trade union organizations, as well as the central, republic and territorial committees, more boldly and energetically.

The results of the reporting and election campaign which has been completed also attest to the necessity for more decisive restructuring of trade union committees' work. It may be said that the trade union's active membership now has been elected in an atmosphere of greater democracy and broad glasnost and that the views of workers and employees have been taken into account more fully. It is sufficient to say that many trade union group organizers and chairmen of shop committees, trade union bureaus and committees of the central oblasts of the RSFSR and the Northern, Latvian, and Tyumen RTK's were selected by direct election and the advancement of several candidates. For this reason, there is confidence that competent workers who are true leaders of their collectives, not formal ones, have assumed the leadership.

At the same time, aviation workers gave a decisive rebuff to those who could not keep in step with the times. Thus, union members of the Dushanbe and Petrozavodsk Aviation Enterprises expressed their lack of confidence in the chairmen of their trade union committees and dismissed them from their posts ahead of time.

There are still many trade union committees today, including the East Siberian, Moldavian, Tajik, and Yakutsk committees, which are finding it very difficult to repudiate the stereotypes that have been accepted for years and are not looking for new ways and organizational solutions. This was confirmed in particular by the "direct line" conducted by the trade union central committee, in which dozens of aviation workers from all parts of the country telephoned in with specific suggestions and criticisms for the union central committee and trade union organs locally.

All RTK's are obliged to add this type of work to their armory, and to make extensive use of it in the future, together with managers. This relates in full measure to out-of-town meetings of presidiums on the most critical problems in the collectives themselves.

Today the problem of collectives' labor councils is in the forefront. Trade union committees, under the leadership of party organs, have been called upon to be the organizers in their formation. It is incumbent upon republic and territorial committees to take an active part in shaping the activity of the councils. This was also affirmed in a recent "round table" discussion in *Vozdushnyy Transport*. Considerable experience in the work has been accumulated by collectives' labor councils in the aviation enterprises of the Belorussian Administration, which assumed the basic burden of working with persons in the course of the economic reform. The labor council of the collective in Chelyabinsk, led by V. Kazantsev, a traffic service flight operations officer, is approaching a solution of the aviation enterprise's urgent economic and social problems with initiative and objectively.

### He spoke at the plenum.

Our council, he said, began working in April this year. Organizational work was carried out in the services by the trade union committee to advance candidates for the council. But at that initial point of organization, it is unlikely that even those who were the most optimistic imagined the complicated, pressing problems that would be resolved by the public organ that had been established. And the problems appeared before the STK [collective labor council] immediately. In operating five types of aircraft (the Tu-154, Tu-134, Yak-40, An-26, and An-2) and taking into account that three of them were not economically promising, we realized that it would be extremely complicated for us to shift to the new conditions of economic operation.

It was suggested that the unprofitable An-26 and An-2 be eliminated. But there were persons working with each aircraft! The labor council of the flight detachment which had been established earlier suggested that these types of aircraft be left for pilots to fly. Friction developed between members of the flight detachment labor council who had displayed their professional solidarity and members of the united council. But the aviation enterprise's collective labor council was well aware of its responsibility to the entire collective of the detachment and adopted the decision to consider our further use of the An-26 and An-2 aircraft as economically unfeasible. At the same time, the flight detachment command was charged with resolving the problem of employing the flight personnel that had been released. This decision was supported by the administration management. Today some of the crews have left for retraining in the Tu-134, and have been transferred to the Magnitogorsk

detachment. After they have accrued the required number of hours and entered the VUZes, they will be retrained and returned to Chelyabinsk.

We had barely come to a decision on the urgent economic matters and worked out a resolution on the STK when we were faced with a new problem: the commander of the unified detachment has been "put into retirement." The collectives of the services and subunits expressed their views on elections for a new commander, and now and then considered the desire not to look for the best candidate, but the desire to try out, to take part in this interesting new work. This is why different candidates were advanced, right up to the squadron commanders that were recently assigned.

But realizing that under the new conditions of economic operation a commander should be only an economically competent and trained specialist, and not having the opportunity to hold a competition for the selection, the STK decided not to hold an election, but to recommend G. Osintsev for the position of commander after extensive discussion. Today he has confidently become part of the collective, and has organized a true staff of specialists in the detachment to introduce the new conditions of economic operation.

In speaking about the activity of collectives' labor councils, the plenum participants emphasized that extending the rights of enterprises requires not only the establishment of a single formal public organ, but election of a representative of the collective with authority who is capable of actively influencing the processes that take place.

It is very important that the election of economic managers also be under the control of trade union organizations when necessary. The trade union committees and collectives' labor councils should conduct this work in accordance with sectorial recommendations and the enumeration of duties for the management personnel of enterprises, to which the principle of appointment by election will be extended in accordance with the law. These documents will come to local areas in the near future.

#### From the Plenum Resolution

*The responsibility of trade union and economic managers for adherence to labor legislation and the principles of socialist democracy is to be increased, and extensive use is to be made of a testimonial from command and management personnel and trade union members, as well as the principle of appointment by election, for management positions. A draft of the new structure of trade union organs is to be prepared before 1 January 1988 in accordance with the General Plan for Civil Aviation Management, as well as the proposals of trade union RTK's.*

#### Results of VOZDUSHNYY TRANSPORT Readers Survey

18290047c Moscow VOZDUSHNYY TRANSPORT in Russian 24 Nov 87 pp 2-3

[Responses to *Vozdushnyy Transport* questionnaire reported by V. Semenov, head of the paper's Letters and Public Affairs Department, under the "Reader to Newspaper" rubric: "A Frank Dialogue"; first two paragraphs are editorial introduction, followed by questions asked]

[Text] On 26 September 1987 we asked *Vozdushnyy Transport* readers to respond to seven questions. Many took an active part in the dialogue suggested, and the newspaper received dozens of replies to our questionnaire. Some writers supplied comprehensive answers to all questions, and some provided only partial answers.

For those readers who did not receive a copy of *Vozdushnyy Transport* with the questionnaire, we are repeating it today. The discussion undertaken by the newspaper, I hope, will not be limited to this article, but will become long-lasting—only then will the feedback from the reading public be effective and promising.

#### The *Vozdushnyy Transport* Questionnaire

1. Do you subscribe to the newspaper or buy it at a newsstand? How many years have you been reading the paper?
2. What articles in the newspaper have attracted your attention in 1987?
3. Have you written to the editorial staff? How often? If not, why?
4. Are you satisfied with the editors' responses to your letters? If not, why?
5. What new rubrics for readers' letters would you like to see in the newspaper?
6. How do your supervisors react to your letters to *Vozdushnyy Transport* and other central publications? Have you been subjected to persecution for criticism after appealing to the editorial staffs of these publications?
7. Are you a civil aviation worker? If not, where do you work?

Which letter should I begin the survey of questionnaire responses with, I thought, glancing at the pile of letters on my desk.

Here is one... "I have been subscribing to and reading *Vozdushnyy Transport* since 1 January 1978." Khariton Chkhutovich Gvindzhiya, a pilot first class in the Sukhumi OAO [Unified Aviation Detachment], responded to the first question. He has been a loyal subscriber for

10 years. In 1987, Khariton Chkhutovich liked the article by V. Tamarin, "The Crack," and the one by V. Borodenko, "This Complex Human Factor."

"This year," Kh. Gvindzhiya writes, "the newspaper is particularly unrelenting in its struggle against bribe-takers, bureaucrats and schemers, and is in the forefront of the struggle for restructuring."

Kh. Gvindzhiya had written to the *Vozdushnyy Transport* editorial staff time and again, he was fully satisfied with the responses, and many of his letters were published in the paper. Khariton Chkhutovich adds the following question to the questionnaire: "Why do readers write to *Vozdushnyy Transport* about numerous highly specialized problems which the editorial staff itself sometimes cannot resolve for objective reasons?" And he answers this himself: "Because they often cannot or do not want to solve these problems locally. But by sending a letter to the newspaper, we readers know that the editorial staff will forward it to the appropriate civil aviation administration and will strictly monitor and verify its implementation." In particular, Kh. Gvindzhiya feels that the rubric "Letters from the Workers for Followup" should appear in the paper more frequently for this reason.

Unlike Kh. Gvindzhiya, V. Sakhadzhi from Tashkent writes that he has not subscribed to the newspaper since 1980 and is not satisfied with responses to his letters to the editorial staff, which concerned his long dispute with the management of the Uzbek Administration of Civil Aviation and the Tashkent OAO. As a result of this dispute, V. Sakhadzhi writes, he has been continually subjected to persecution, which became worse after his appeal to *Vozdushnyy Transport*. And the newspaper, the writer feels, treated his misfortune formally.

There is no doubt that the Uzbek aviators are having difficulty with the restructuring process. *Vozdushnyy Transport* tries to vitalize this process in many of its articles. The Political Administration of Civil Aviation is performing a considerable amount of work in Uzbekistan. There is already progress here, and it will be developed further. We must bear in mind at the same time, of course, that eradication of evils and shortcomings is possible only under the conditions of glasnost and broad democracy.

Thank you, Comrade Sakhadzhi, for the lesson and the reproach. So staff members in the Letters Department did not finish something, and we will correct it. We cannot agree with one thing the writer from Tashkent said, in my view. He feels that the paper should not publish materials under the rubric "It Went 40 Degrees Off Course," and that "there is no need to discredit the aviator in the passenger's eyes." There is something in this statement by V. Sakhadzhi which contradicts the content and tone of his entire letter. Truth must be looked in the eye. If we hide our flaws, we will never get rid of them.

Incidentally, in responding to the questionnaire, many of our readers feel that the rubrics "It Went 40 Degrees Off Course" and "Beyond the Eye and Toward the Sun" are two of the most successful and penetrating ones in the newspaper which "work" toward restructuring.

V. Zarko, an engineer at the ERTOS [Operation of Radio Technical Equipment and Communications] base of the Gorkiy OAO, suggests the rubric "Readers' Letters on the Problems of Restructuring." In principle, such problem letters are published continuously in the paper, but they do not always have the accent needed: an appropriate rubric, a "banner," a headline. The editorial staff has something more to think about here. Here is the response to the questionnaire from V. Podvitskiy, a pilot from Leningrad, which is turned into a long 4-page letter on restructuring.

Viktor Mikhaylovich has subscribed to *Vozdushnyy Transport* since its very first issue. In response to the questions "Have you written to the editorial staff? How often?" he writes: "It would be reasonable to ask why so often, because something over my signature is published practically every month in the newspaper. Both the newspaper and my comrades at work are 'at fault' for this. Particularly in recent years, when the paper began raising the critical problems of the restructuring struggle. Precisely a struggle, because while bureaucratism, embezzlement of state property and favoritism exist, restructuring itself is in danger. We should and will defend it... Once in a large oak-paneled office I accidentally witnessed a conversation between two managers on my article in *Vozdushnyy Transport*:

"An answer must be given to a complaint from some Tu-134 commander—you outline something there. Where is he, by the way?"

"Transferred as a copilot," the deputy said with obvious satisfaction.

But I had just arrived for retraining in the Il-86, and I burst into such laughter that I couldn't stop...

"I have already touched upon the sixth question in the questionnaire here," V. Podvitskiy continues. "Managers also react in different ways to different articles. Laudatory ones—good fellow, but critical ones—you should have submitted it for approval. And as far as persecution for criticism is concerned, who wants to come under the criminal code?" Viktor Mikhaylovich concludes.

However, Fedor Mikhaylovich Koloskov, a storekeeper for the Air Terminal Service of the Vnukovo Civil Aviation Production Association, does not share V. Podvitskiy's opinion on this. A CPSU member and war and labor veteran, he has written to the editorial staff more than once with criticism of different shortcomings in the work. "Especially with regard to irresponsibility in fulfilling a collective agreement and the sluggishness of

the trade union shop committee and the party bureau," he writes. But alas, he received no responses from his management, but persecution exists: thus far he has not received his "Veteran of Labor" medal under various pretexts. In a private conversation with the chairman of the trade union committee of the Transport Organization Service, A. Kaperskiy, I heard: "Fedor Mikhaylovich! You have offended those in the VPO [Vnukovo Production Association] headquarters with your criticism. So this will not work for you! You had better go away for a rest."

In concluding the letter, F. Koloskov suggests that the newspaper write more often about unsatisfactory housing conditions, those who suppress criticism, and embezzlers of state property. Our writer demands "more glasnost!" from *Vozdushnyy Transport*.

A. F. Solovyev from Omsk reproaches the editorial staff: "All the same, you write too little about civil aviation's educational institutions and practically nothing about the training and methodical work of instructor personnel. So publish more crosswords, if you like," he urges the editorial staff.

An eighth-grade student in Middle School No 6 in Chkalovsk, Tajik SSR (she forgot to provide her surname) suggests that we publish interesting articles more often about aviators—Heroes of the Soviet Union and their combat exploits, about veterans who serve as an example for youth, and about the continuity of generations. At the end of her letter she says that her mother works in the sector, that they have subscribed since 1980, and that she took it upon herself to respond to the questionnaire since the adults have no time. Her mother has enough time only to read *Vozdushnyy Transport*.

Yes, we often do not have enough time now. Nevertheless, Ye. Volgin, a subscriber from the city of Gavrilov-Yam in Yaroslavl Oblast, who is a process engineer (not employed in the sector), responded fully and in a manner that was no less interesting. He criticizes the quality of paper used to print *Vozdushnyy Transport* and the printing itself. (Many of our readers agree with him here.) Unfortunately, our printing base—the press for the newspaper *Gudok*—is quite obsolete. The typesetting office and printing equipment are nearly a hundred years old. But there is no possibility of shifting to advanced new methods; most presses in Moscow have a full workload. However, the editorial staff continues to look for ways to shift to a modern printing base. We hope that this wish from our readers and the editorial staff itself will be materialized in the near future, all the same.

The suggestions and criticisms from Yu. Seleznev, an equipment assembler at the Zaporozhye OAO Aircraft Maintenance Base and member of the aviation enterprise's party committee, who writes about the new conditions for economic operation and glasnost, attracted our attention: "The newspaper should not avoid one critical point," Yuriy Aleksandrovich demands. "The sectorial

press with its authority can be of tremendous help in restructuring the sector's work. Readers should support and not lose confidence in the newspaper."

Readers said much about the rubrics and expressed their advice, wishes and criticism in letters responding to the questionnaire: P. Cherevatov from Khatanga, Yu. Aleksandrov from Leningrad, Yu. Soskovets from Tolyatti, V. Zasekin from Ashkhabad, A. Kurlyuta from Vilnius, S. Kuznetsov from the city of Talnakh in Krasnoyarsk Kray, V. Khalikov from Bukhara, S. Kovshar from Okha, Zh. Tosenko from Berdyansk, and many other readers. We ask forgiveness from those whose letters we were unable to publish or at least mention in a limited space. However, in further articles under the "Reader to Newspaper" rubric we will try to make up for that deficiency. The Department of Letters and Public Affairs also intends to summarize readers' suggestions and advice and submit them for review by the editorial board for introduction on a page in the newspaper. Those letters which contain specific requests for some kind of assistance from the newspaper have been taken for a followup.

Many lines in the letters leave feelings of bitterness and anxiety. But the fresh wind of change is sure to disperse them. It cannot be otherwise.

8936

#### Ministry Collegium Reviews 1988 Schedule of Flights

18290047d Moscow VOZDUSHNYY TRANSPORT in Russian 19 Nov 87 pp 1-2

[Ministry of Civil Aviation Collegium's report on Aeroflot 1988 flight schedule: "All-Union Scheduling: Civil Aviation's Production Program"; first paragraph is editorial introduction]

[Text] In a regular session, the Ministry of Civil Aviation Collegium has reviewed one of the most important aspects of Aeroflot's work—the scheduling of flights for 1988. The ministry's administrators took part in the discussion. The schedule is making demands today on practically all the sector's main services—the Flight Service, UVD [Air Traffic Control], the Airfield Service, the SOP [Transport Organization Service], agencies, and the GSM [Fuel and Lubricants] and Material and Technical Supply Services. L. Ilchuk, chief of the Aviation Work and Transport Operations Main Administration, was charged with the basic report on this matter.

He stated the problem specifically: the best possible scheduling means meeting the demand of the public and the national economy for passenger and cargo transportation to the maximum extent and ensuring that basic resources such as the fleet of aircraft, aircraft fuels and lubricants, airports, and manpower are utilized efficiently in the process. After all, in practice the schedule also establishes the prerequisites for fulfillment of the

state plan for transportation services and their economy and consistent regularity, as well as the planning basis for flight safety. For this reason, it is natural that many of the problems in the sector's development are focused on scheduling and the conflicting interests and demands of the various services are often brought together in it as well.

The "Law on the State Enterprise (Association) of the USSR," which will come into force on 1 January 1988 sets forth new approaches and solutions in drawing up the schedule. Essentially, these changes require that the conditions for operating on national routes and their assignment to civil aviation administrations which are set forth in the plan for air service lay the foundation for each civil aviation administration to shift to the conditions of full cost accounting and self-financing. It is also necessary to take into account that the level of the state order for passenger turnover and limits determines nearly 80 percent of the scheduling on domestic air routes and includes practically all use of mainline types of aircraft.

The increase in the status of plan indicators for flights to the level of the state order and the impossibility of correcting it during the year sharply increase the demands both on the balancing of resources in the plan and on nationwide scheduling. This is why main objectives such as improvement in meeting demand, primarily for areas in the Far East, the Far North, and Siberia; increased operating efficiency for aircraft with high fuel efficiency—the Il-86, Yak-42, and Tu-154M; and balancing of the schedule with the basic resources, taking limitations and normative requirements into account, were set in drawing up the schedule.

It should be noted that meeting demand continues to be a very critical problem. According to estimates by the GUARP MGA [Aviation Work and Transport Operations Main Administration of the Ministry of Civil Aviation] and the TsNII ASU GA [Central Scientific Research Institute of Automatic Control Systems in Civil Aviation], passenger demand for air service that was not met when the schedule for 1987 was introduced amounted to 16.0 billion passenger-kilometers, or 9.3 percent, and 4.1 billion passenger-kilometers for flights of over 4,000 kilometers. And this was one-fourth of the overall demand that was not met.

The plan for air service in 1988 provides for meeting the demands of the public in regions of the Far East, the North, Tyumen, and Siberia on a priority basis. An increase of 4.5 billion passenger-kilometers has been incorporated in the schedule for distances of over 4,000 kilometers. For shorter distances, where there is continuous service by other forms of transportation, service by An-24 and Yak-40 aircraft has been reduced by 2.5 billion passenger-kilometers.

It was noted in the collegium that meeting public demand for transportation as fully as possible in the Far East, the Far North, and Tyumen Oblast, where this problem is the most critical, is the main objective. About 2,000 additional flights will be made to these regions, primarily during the summer. This will make it possible to increase the number of passenger seats on air routes to these regions by nearly 240,000. More than 130,000 of these will be during peak service periods.

The increase in service on the air routes from Moscow to Vladivostok and Petropavlovsk-Kamchatskiy, where transport volume will increase by nearly 15 percent, is particularly significant. Seven new air routes are planned in the schedule: Chita to Minsk, Yakutsk to Sukhumi, Noyabrskiy to Simferopol, Noyabrskiy to Sochi, Nefteyugansk to Simferopol, Surgut to Simferopol, and Strezhnevoy to Moscow. For other regions in the country, increased transport volume will be provided for basically by increasing seat occupancy, increasing the number of seats in aircraft (modernizing the layout), shifting routes to aircraft with larger capacity (there are about 40 such routes), and partly by increasing the frequency of flights.

Providing for efficient use of aircraft, fuel and other types of resources is the most important criterion in evaluating the plan and the schedule of flights. On the whole, the schedule is in accordance with the direction assigned for resource conservation.

The fuel efficiency of the schedule is unquestionably a factor of paramount importance and vital necessity. This work has been conducted in three stages. First of all, the release of 67,000 tons of aviation fuel is provided for in the plan and schedule of flights by increasing the rate of use for aircraft with high fuel efficiency—the Il-86, Tu-154M, and Yak-42—by more than 30 percent.

Secondly, work to put the flights on short air routes in order carried out in coordination with civil aviation administrations has made it possible to allocate nearly an additional 29,000 tons of aviation fuel to increase transport volume with aircraft of the first and second classes. And finally, improving the network of air routes and eliminating landings that are not practical have yielded about another 3,000 tons of aviation fuel. Overall, these measures will make it possible to increase transport service by more than 1.5 billion passenger-kilometers. In speaking of fuel efficiency, it is necessary to mention the important effect of work to improve the structure of airways and the system for using them.

Efficiency in using the fleet of aircraft should be improved. It has been evaluated in accordance with three factors: the hours accrued on a registered aircraft, an aircraft that has begun operating in the schedule, and an aircraft in good working order. According to our estimates, the hours accrued on a registered aircraft will

increase substantially in 1988 compared with 1987—by 16 percent for the Il-86 and 13 percent for the Yak-42; this reflects a significant increase in the use of these types of aircraft.

Analysis of the flight schedule shows that three basic requirements are taken into account in drawing it up: the commercial requirement—assigning times and days for flights that are convenient for passengers; minimizing the basic resources needed for the schedule in providing for more even distribution throughout the week and day by shifting the times of flights; and creating conditions for safe flights under the schedule.

Instrument weather conditions at airports, coordination with other types of schedules, requests by organizations for the shipment of mail, transportation of tourists, and so forth are taken into consideration in addition to the requirements cited.

The different requirements, the variety of norms, and the necessity of taking the interests of different aviation enterprises into account make the process of working out a schedule complicated organizationally and technically and gives it the status of a basic planning document which regulates the sector's transportation activity. In this connection, it is necessary to cite several overall figures which characterize the schedule. Thus, the nationwide schedule determines 78.5 percent of the transport volume. It includes 3,932 flights and provides for 2,306 links among 212 airports. According to our estimate, 73.4 percent of the flights have been set at arrival and departure times convenient for passengers; this figure has been decreased somewhat compared with 1987. In evaluating the schedule, it is necessary to elaborate on the basic ways of maintaining it.

**Providing for the airfields.** This is an important factor in drawing up the schedule. First of all, there are limitations determined by work to repair and renovate runways, by regulation of airport operations, and by aircraft noise restrictions.

It must be mentioned that the list of airports which have limitations creates considerable difficulty in planning flights. As an example, on the eastern airway, the airports in Khabarovsk, Irkutsk, Krasnoyarsk, Novosibirsk, Tomsk, and Barnaul will have restrictions during the summer for maintenance. The effect of this factor may be assessed by the example of Flight 6135/6136 from Rostov to Chita via Orenburg and Barnaul.

The flight is scheduled to depart Rostov at 2320 hours. But taking into account the maintenance at Barnaul from 0800 to 1300 and Orenburg from 0600 to 1400, the possible time lag in departure is 1 hour and 35 minutes, that is, the aircraft can depart no earlier than 2310 and no later than 0045, because otherwise a landing at intermediate airports will not be possible because of the maintenance. Losses are possible under these conditions, of course. A few words about them.

Firstly, the number of airport restrictions and the time periods involved require that additional aircraft be put into service. The fact that the "peak periods" at airports also create limitations cannot be disregarded, either. And this leads to overloading and a lower quality of passenger service.

And finally, repairs inevitably lead to the loss of air service between cities. Thus, for example, in 1988 Kirov loses direct service to 5 cities, Akyubinsk to 15, Zaporozye to 28, and Donetsk to 50 cities for this reason. The level of planning and organization of maintenance operations is also cause for serious complaint. Operations were called off at 16 airports after the plans for 1988 were drawn up. This could not help but have an effect on the quality of the schedule drawn up.

The numerous periods for completing operations that were carried over is an even more substantial shortcoming. In 9 months of this year, one-fourth of the schedule adjustments resulted from the periods of time that were carried over at 30 airports. It is realized that maintenance is a production necessity, but coordinated planning, support and control are required in order to avoid large losses and maintain scheduling and transportation stability. This is very important under the new conditions of economic operation.

I would like to dwell on two more features which determine the scheduling for 1988. The first one: the preparation of airports to accommodate regular flights by Il-86 and Yak-42 aircraft. The list of these airports has been provided to the Ministry of Civil Aviation administrations concerned. This is the objective: to prepare them within the periods of time that have been set. We have to speak about this, inasmuch as experience over past years and this year attests to the fact that they are often disrupted and lead to both physical and moral losses.

**A few words about engineering.** The schedule for aircraft turnover was drawn up on the basis of the deliveries and redistribution of the aircraft fleet that are being planned and the maintenance standards coordinated with the GUERAT [Operation and Repair of Aviation Technical Equipment Main Administration] and civil aviation administrations.

With regard to engineering support, I would like to mention the basic directions for providing it in 1988, in our view: ensuring that aircraft are delivered by industry as planned during the periods established; reexamining the possibility of raising maintenance standards during the summer, especially for Tu-154 aircraft; providing for a combination of measures to extend the service life of the Il-62; and resolving the problem of using the An-26 to carry 38 passengers.

It is generally known that work to ensure flight safety is carried out by monitoring the norms of traffic capacity in air traffic control at airports and 35 controlled airway

intersections. The norm for airports has been maintained completely for the 1988 schedule. It should be mentioned that the traffic capacity norms for controlled points have remained practically at the same level in recent years, despite the fact that steps were taken to increase the capacities (introduction of new separation and automated ATC systems).

Calculations have shown that increasing the traffic capacity norms for points by 15 to 20 percent, or two to four overflights, per hour will enable us to significantly reduce the "peak" workloads at airports. The problem of controlling airspace not from points but in accordance with the capacity of ATC sectors also deserves to be resolved.

And here is one important question: is everyone satisfied with the schedule? Of course not. Work to improve scheduling will be continued. And speaking of prospects, we must bear in mind that working out a plan and schedule for air traffic is complicated, and the problem can be resolved only with a carefully adjusted system that has been well thought out. Centralization of this work has become necessary. The Aviation Work and Transport Operations Main Administration, together with the GlavPEU [Economic Planning Main Administration], has suggested that a center for automated planning be established within the framework of the Central Scientific Research Institute of Automated Control Systems in Civil Aviation which would assume the entire range of preparatory work and drafting of proposals to improve the quality of the plans and scheduling of air traffic.

Many opinions on the form of the schedule itself have been expressed. The collegium has adopted a decision to change it, bringing it closer to the pattern for schedules being used in ICAO [International Civil Aviation Organization] countries.

A collegium resolution defined specific tasks to improve drafting of the schedule in order to make it even more efficient.

8936

**Comments from VOZDUSHNYY  
TRANSPORT'S Readers' Hot Line**  
18290047e Moscow VOZDUSHNYY TRANSPORT in  
Russian 21 Nov 87 p 1

[Report by *Vozdushnyy Transport* special correspondents N. Kadilov and V. Tamarin on their discussions with readers over the paper's "hot line": "Hot Line! Hot Line!"; first four paragraphs are editorial introduction]

[Text] Dear readers! In connection with changes in the Moscow ATS [Automatic Telephone Exchange] number which serves the editorial staff, the number of the "hot line" telephone is now 928-24-86.

As you know, operation of this direct two-way link between the editorial staff and readers has been extended, and special correspondents are on duty here. We therefore await your calls from 1000 to 1600 hours every work day.

Many of our subscribers are already convinced that we have provided them with exhaustive responses. Many questions will result in decisions being made at the ministry and in local areas.

And now we want to draw readers' attention to the thoughts expressed by "hot line" subscribers which do not require a special response, but which nevertheless justify editorial comment and, we hope, will elicit reaction from officials in local areas.

**V. Dosmagambetov, deputy chief engineer of the Kustanay Aviation Enterprise ATB [Aircraft Maintenance Base]:** I am an efficiency expert. I have more than 100 suggestions to my credit. Including for the An-24 aircraft which we have been using for 15 years. We have studied all its strong and weak points, and we know what can be improved. But every suggestion has to be "forced through." Here are examples. I submitted a proposal to shift one of the antennas as far back as 1978. And it began its way through the levels of authority.

At the end of last year, we developed a device to measure fuel consumption on the An-24 more accurately. The suggestion also became lost somewhere.

I believe that the Ministry of Civil Aviation cannot overlook efficiency suggestions. Perhaps it would be worthwhile, all the same, to establish an introduction department at the ministry to help innovators, and this would bring a great deal of benefit to the sector and the country. Such an effective department is particularly needed now, when many administrative and management functions are being taken away from the ministry and accelerating technical progress is one of the most important tasks.

Question: Why shouldn't the question of production workers' technical creativity be raised at the Tashkent conference?

[Answer] This is not the first time that the idea of establishing a group in the GlavNTU [Scientific and Technical Main Administration] to recommend technical ideas from local areas has been advanced. We realize that reduction of the administrative and management staff is under way, but establishment of such a group would be expedient. It is also correct that a demand be made of party committees. Who, if not the communists, will lead an important section of technical progress?

**V. Popel, an An-26 copilot in the Arkhangelsk Aviation Enterprise:** Recently *Vozdushnyy Transport* published a summary of the sector's work in the preceding 9 months. This figure was cited in a commentary on it: Aeroflot's

excessive consumption of aviation fuel amounted to over 40,000 tons. But our enterprise economized 1,100 tons. And there are no special secrets: economic incentives are working well. Every aviator knows what he will receive for savings, and he fights for every drop for that reason. You meet pilots from other enterprises and tell them about this, and their eyes open wide; they have nothing like this.

So perhaps *Vozdushnyy Transport* will concern itself with the dissemination of good experience if those in the ministry and the central committee of the Aviation Workers Trade Union are too busy for this?

We realize that we are faced with a restructuring of the sector. Very likely scientists and important specialists are working on this. But why not include units at the lower level in this? After all, I believe that ordinary pilots also have practical ideas in this regard.

[Answer] We can respond to Vasiliy Mikhaylovich that the newspaper will certainly tell about the Arkhangelsk aviators' experience. But in principle, pilots themselves could share this through the newspaper. And as far as getting the opinions of ordinary aviators on the forthcoming changes in the sector, we have repeatedly offered to send them to a central commission of the Ministry of Civil Aviation for study. It is never too late to do this. The Aviation Workers Trade Union Central Committee will also be pleased to study these views.

**Members of a squadron at the Omsk Aviation Enterprise:** Our squadron of L-410 aircraft has been transferred from a transport detachment to a PANKh [Use of Aircraft in the National Economy] detachment. The squadron commander and his deputy have remained in the former detachment. We were left without leadership. And then Comrade Sabarov was assigned as squadron commander and Comrade Grinchenko as deputy squadron commander by a willful decision, without any discussion; they are An-2 pilots who have not been permitted on L-410 flights. They say it doesn't matter that they cannot fly the L-410's yet, but on the other hand, they are very familiar with staff work. And now these comrades are signing flight assignments and are acknowledging, in defiance of safety requirements, that they trained a crew for that aircraft, which they themselves cannot and have no right to operate. They are making unqualified analyses and giving us the jitters.

There are experienced commanders in the squadron who could head the collective. We spoke about this at a squadron meeting in the presence of Comrade Sakalyash, the commander of a flight detachment, and insisted on holding an election. But it was in vain. G. Titar, the OAO [unified aviation detachment] commander, also was aware of our wishes. But he only scoffed at us after that meeting: Well, fellows, he said, have you finished voting?

We ask for immediate intervention.

[Answer] Intervention is required, of course. But evidently by the management of the West Siberian Administration Flight Service, not by the editorial staff. Both pilots and the editorial staff are hoping for a response.

**A navigator on an Il-14 aircraft, an "ice scout," from Arkhangelsk:** The Il-14 is a good aircraft. But ours is gone. And what is replacing it? We are not at all clear about this. And I would like to ask employees in the Ministry of Civil Aviation: why has no one been concerned beforehand about providing a successor to this aircraft? And a question for organizers of the conference in Tashkent: why aren't questions of new equipment resolved by joint actions of the party committees of the Ministry of Civil Aviation and the Ministry of the Aviation Industry? Why is the An-74 still looming in the fog of the future?

In the meantime, it follows that we must use the unregistered Il-14's, it seems to me. I will elaborate with an example. Our enterprise now has two Il-14 "ice scouts" and two Il-14 transports. There are not enough "scouts" and the "transports" are out of service. We can probably refit at least one of them for reconnaissance. But again, the ministry should be involved in this. And one more fact. During the summer, in the hottest period, one of the "ice scouts" stood idle for a month and a half because it lacked an engine. And the one who found it was not an employee of the appropriate department in the ministry or the Arkhangelsk Administration, but our chief of staff, after telephoning literally all around the country.

This is an indicator of concern for the needs of small-scale aviation. And how do we manage without it in the North?

[Answer] This is really a problem—an aircraft for the North. And it is a shame that the An-74, which has proved itself so well in the Arctic, is still just "looming in the fog." It is obvious that real persistence is required from the GUZSANT [Air and Ground Production Equipment Orders Main Administration] to see that series production of an aircraft for Aeroflot is handled more expeditiously.

**A. Ganin, air traffic controller from Alma-Ata:** There are opinions, and they have appeared in the press, that the labor councils of collectives do not have enough regulations, instructions, and so forth to work successfully.

I consider such statements to be incorrect. As it is, a "professional disease" has developed in Aeroflot—working only by paper.

I think that every council for a labor collective should outline the range of questions which it should be concerned with and look for its own forms and methods of work, based on specific conditions. And protect the rights and interests of the working man first of all, guided by the Constitution of the USSR.

[Answer] We liked the position taken by A. Ganin. It reflects a high degree of civic responsibility and an effort to comprehend the processes taking place in the society. It is something for those who issue instructions and directives to think about. Especially on the sector level.

N. Kadilov and V. Tamarin have been on duty at the telephone, recording the answers, and commenting on the discussion.

8936

## MOTOR VEHICLES, HIGHWAYS

**RSFSR Auto Transport Deputy Minister on Consumer Services**  
18290048 Moscow *GUDOK* in Russian 9 Dec 87 p 5

[Article by G. Tarakanov, head of the Press Center of RSFSR Ministry of Motor Transport, Moscow; "Automobile on Order"]

[Text] Among our daily and worldly concerns, a need for transport services often arises. For some there is a need for shipments of firewood or coal while others require construction materials or deliveries to the market of products obtained on private plots. Yes, there are very few situations in life in which we can proceed in the absence of motor vehicles. Earlier we were at times helped by the payment of a bribe. Today we can no longer count upon such payments, since they are viewed as being unearned income for a driver. The only help that is available is that which can be furnished by the transport-expeditionary service. Has it become easier to obtain its services? And generally speaking, what can it offer us today?

The deputy minister for motor vehicle transport for the RSFSR, A.S. Panteleyev, discusses this subject in this article:

In order to acquaint the population of the Russian Federation with today's rates of development and the volumes of motor transport services, allow me to cite several figures. During the current five-year plan, the number of points organized for the acceptance of requests was greater by a factor of two than the number called for and this made it possible in particular to increase fuel shipments by a factor of 1.3 and shipments of construction materials — by a factor of 1.5.

The transport agencies and acceptance points are presenting the municipal and rural inhabitants with more than 30 different types of domestic transport services. This includes shipments of fuel, construction materials, domestic articles in containers and wedding services. Through the acceptance points it is now possible to reserve rooms at hotels, acquire tickets in advance for all

types of transport and even to turn over for repair purposes the tires from one's own personal automobile. Approximately 300 points transport agricultural products to municipal markets.

On the whole, the sales volume for transport services has increased by a factor of 1.6 compared to 1980. And at the present time the requests for such services can be formulated at more than 10,000 acceptance points and 1,078 agencies.

In Moscow, Kalinin, Rostov and Sverdlovsk oblasts, in the Maritime, Khabarovsk and Stavropol krais and in the Komi ASSR, transport-expeditionary services have been organized better than at other points.

Fine results are being achieved in those areas where a creative approach is being employed in carrying out this work and active use is being made of the available reserves. Here is a typical example. The Karelian ASSR and Pskov Oblast have roughly the same size territories and populations. Of the overall volume of domestic services being made available to the population of the Karelian ASSR, motor transport services account for 73.5 percent and in the rural areas — 57.6 percent. In Pskov Oblast, the figures are 49.8 and 30.3 percent respectively. In the Karelian ASSR, there are 223 points for accepting orders, of which number 57 are in rural areas. In Pskov Oblast, only 13 or 54 points are in rural areas. As a result, the per capita income from the sale of domestic transport services is almost twice as high in the Karelian ASSR.

Nor are these singular examples. Thus the demand for motor transport services is being satisfied differently: better in some regions and worse in others. However, here is a point worth emphasizing: the amount of transport equipment available for use by our republic at the present time, including departmental equipment, is such that the people should not have to undergo any trying experiences in connection with the transporting of freight.

A further expansion in transport services for the population is dependent to a large degree upon initiative. Over a period of a number of years, our ministry has been receiving active support from the executive committees in Sverdlovsk, Saratov, Rostov, Leningrad, Kuybyshev and other oblasts, the Stavropol, Maritime and Krasnodar krais and from the councils of ministers of the Bashkir and Karelian ASSR's. They are making available the facilities required for providing the population with services and also departmental transport equipment and loading and unloading mechanisms. The RSFSR Council of Ministers has required the councils of ministers of autonomous republics and the kray and oblast executive committees, with the assistance of ministries and departments, to develop a complex of measures for coordinating joint operations. This will serve to improve sharply the organization of work concerned

with the sale and delivery to the population of fuel, construction materials and agricultural and other freight and the introduction of new forms of services.

One such form is the extensive organization and carrying out in the oblasts, krais and autonomous republics of special days devoted to furnishing transport services for the population. What is the essence of this innovation? Once or twice a month, on Saturdays and Sundays, orders for the transporting of freight are accepted and carried out on an unlimited basis. Beyond any doubt, thorough preparations must be made for the carrying out of such measures in the various areas. This means that the fuel, lumber and construction materials must be accumulated in advance at the warehouses and that the motor transport and loading and unloading equipment must be distributed and assigned to the stores, bases, open-pit mines and other trade and freight-forming points. Concern must be displayed for ensuring that the population is informed in advance, through the local press, radio and television, regarding the services being made available.

Experience has shown that the effectiveness of such measures can be very high. For example, over a period of 8 days in Vladivostok, during which orders for transport services were carried out, the citizens were supplied with 19,000 additional tons of coal — more by a factor of two than the average for the quarter.

Recently a decision was handed down calling for special days for transport services to be carried out on Saturdays and Sundays throughout the republic's entire territory. And here we expect to receive active support from the local organs.

Cooperatives consisting of private owners of motor vehicles and attached to transport agencies are making their presence known more and more. They already exist in Vladivostok, Volgograd and Fustov-na-Donu. We will be expanding this network of cooperatives.

However, we are still encountering many difficulties. There is an acute shortage of specialized rolling stock, particularly low-tonnage motor vehicles with good cross country capability, dump-trucks, vans with compartments for the loaders and load-lifting sides and freight and passenger autobuses. Generally speaking, we still lack motor vehicles with loading and unloading units for transporting construction and other materials.

7026

**Fuel-Saving Car "OKA" for Market in 1990**  
18290046a Moscow PRAVDA in Russian 3 Dec 87 p 6

[Article by N. Lukanovskiy, Pravda's Youth Office Reporter, "The Oka On the Little Plate"]

[Text] The editorial board received hundreds of letters following the Pravda article on the Soviet Oka minicar. Interested readers thanked us for our discussion of this vehicle and repeated the question, "When will we see this minicar on the country's roads?"

The readers' questions served as the starting point for an out-of-town work assignment to Serpukhov, a city on the Oka River. Here, in the local motorcycle plant, the first strides were made in developing the minicar.

"Yes, the very first strides, and it would be more correct from the technical standpoint to say that it was AvtoVAZ [Volga Automotive Plant Association] who completed the Oka," notes Plant Director P. Sitnikov. "This Association, with its tremendous design and production base, was the only one capable of handling the problem."

A resolution was adopted almost a year and a half ago, in June 1986, according to which, three plants—VAZ [Volga Motor Vehicle Works], KamAZ [Kama Motor Vehicle Works] and the Serpukhov Motorcycle Plant—are slated to produce 50,000 minicars per year by the end of the 12th Five-Year Plan period.

"Our share," explains Sitnikov, "is 10,000 cars. These are special cars equipped with hand-operated steering for invalids."

There's no need to mention how necessary these "special" cars are. The Serpukhov Plant is presently the only plant in the country now manufacturing motorized wheelchairs for invalids. But these machines are no longer in keeping with the times. Disabled workers and veterans need a more up-to-date machine, since for many of them, it is the only thread connecting them to the world, their only means for productive activity.

Ten thousand cars. However, the Serpukhov Motorcycle Plant needs a radical renovation in order to reach its design output. Minavtioprom [Ministry of the Automotive Industry] has allocated the necessary funds, and construction of the new shop is scheduled to begin at the end of this year. But there's a problem here: local builders are obviously incapable of doing the job. Peter Fedotovich (Sitnikov) was unable to come up with an answer to the specific question of whether the plant would be built or not.

"I have no simple answer to this question either," said A. Volkov, first secretary of the Serpukhov CPSU Gorkom. "Construction of this facility is included in Glavmosobstroy's [Main Moscow Oblast Construction Administration] plan, but so far there have been no real opportunities to get started on it."

So they are "confidently" frustrating plans in Serpukhov. And what is the state of affairs in the Volga and Kama motor vehicle plants?

"This plant is making tremendous efforts," says V. Stoyanov, VAZ deputy technical director. "It turns out that the minicar is more difficult to build than any other vehicle, even though it is half the size of the Zhiguli "eight", for instance. Will there be an Oka by 1990? There will. True, we have a great many problems, but we see no reason to doubt that this task will be executed."

"Boris Yefimovich," (I am addressing KamAZ Deputy Technical Director Burtakov), "even if all three plants reach their design output by the end of the five-year plan period, will 50,000 Oka cars be built per year then? That isn't really very many..."

"Without a doubt. You know, at the recent ministry session, it wasn't a question of how to build these 50,000 vehicles or how to get started on them, but also of what to do later on. The appearance of this car right now should be seen as the solution to this country's minicar problem. This is a problem which presently needs a solution worldwide. The Oka has a low specific weight, which means that it will use less metal, a low fuel consumption rate and, this is very important, it is up-to-date. But you would be better off inquiring at the Ministry of the Automotive Industry about its prospects."

My talk with the motor vehicle plant representatives responsible for manufacturing the Oka provided me with answers to a great many questions. But one question remained. Fifty thousand minicars are only a drop in the ocean. What exactly is going to be done to meet the demand for the Oka?

We kept hearing the words "new capacities" and even "new plant" in our conversation with V. Stoyanov and B. Burtakov. I addressed the question of production prospects to USSR Minavtoprom.

"We will not be able to increase production of these cars during this five-year plan period," they replied in the ministry. "We will be able to handle production of the planned 50,000 cars with the in-house, so to speak, resources of VAZ, KamAZ and the Serpukhov plant. If production is sharply increased, and we feel it should be, then we need a large full-scale plant equipped with all the blank preparing and casting shops, foundries etc."

We need to mention that a new model will be worked up for large-scale production. The current Oka model is made of "available" materials, i.e., the two-cylinder half motor from the Zhiguli-2108 was used in order to conserve its pistons, sleeves, bushings and other labor-intensive parts. Such a large production run and a high level of automation implies considerable changes in the model.

"And how large a figure defines this large production run?"

"At present it would be difficult to say, since the figures differ widely: from 300,000 to 900,000. The car has been well received, and will be quite popular."

No doubt a great many people will like this automobile, as it is economical (with a fuel consumption rate of 3-4 liters per hundred km logged, compact, has a modern shape and up-to-date specifications, and is easy to operate. With its relatively low anticipated price—as low as

R4,000 it could become a young people's car....All of this is fine, but unfortunately the plans and deadlines for manufacturing these cars do not put one in an optimistic frame of mind, and so far the new car is still just a nice model on a little display "plate".

12659

**Defects, Poor Handling of Exported Autos Noted**  
18290036 Moscow *IZVESTIYA* in Russian 10 Nov 87  
p 2

[Article by Yu. Kovalenko, *IZVESTIYA* correspondent, Paris: "With Boots Along the Hood"; Commentary by S. Boris, *IZVESTIYA* correspondent, Kuybyshev Oblast; first paragraph of article is *IZVESTIYA* introduction, first paragraph of commentary is *IZVESTIYA* introduction]

[Text] Bootprints could be seen everywhere: on the hoods, tops and even the fenders of the new motor vehicles which had just been unloaded from the flatcar. Even if they, these bootprints, had not made a dent in the top, there were, as a rule, scratches from them. This means that the car bodies, either wholly or partially, have to be repainted...

"Whose prints are these?" I am asked by Zh. Megazzini, director of the Sempa firm, which is engaged in selling Soviet motor vehicles in France. "From frontier guards, customs men... Perhaps, railroad workers—Soviet, Czechoslovakian, West German, who inspect the flatcar with the motor vehicles this way. The cars on them stand close to each other and they, apparently, think that it is simpler to walk straight along the hoods..."

The Ladas, Nivas and Samaras have been en route for approximately a month. First they are loaded at Tolyatti, and then in Czechoslovakia they are transshipped to the railroad flatcars of the West German Schenker Company, on which they are delivered to the small Alsatian city of Agno, where the Sempa firm is located. It is a branch of the Polk Company, which sells our motor vehicles on the French market.

"The boots leave scratches," Zh. Megazzini continues, "but it happens that the machines come to us with even greater "deep scratches"—along the way they steal electric block assemblies, various instruments and parts (earlier we were ashamed to call this "de-equipping"—Yu. K.). On the whole, approximately half of the vehicles, up to the moment they arrive in France, have various flaws which we must eliminate. The only way to avoid this is to transport them in closed railroad cars, which, as far as I know, you buy in Finland."

Every year about 25,000 machines pass through Sempa, where a VAZ representative works, helping to solve technical problems. All the motor vehicle assemblies are tested at its shops before they are sent off to the show room. If necessary, they are repaired and repainted and,

in accordance with the requirements of the French market, additional parts are installed. On some cars they change the headlights to more "stylish" ones or, let us say, add finishing touches to the body of the Niva. As a rule, there are no claims against the engine or mechanical part of our cars. The main trouble lies in the plastic parts, which are often—defective. In addition, the seat upholstery fades en route, and it costs 2000 francs (200 foreign-currency rubles) to replace it. The rest of the defects become clear in the course of operating the vehicle. But more about those a bit later.

Ladas and Nivas can often be encountered on French roads. Also appearing recently are Samaras, which are looked on quite favorably among other "foreign makes." Right now in France—and it is the major importer of our cars in the western world—there are about 200,000 Soviet motor vehicles. At present testing is progressing successfully here on compliance of the Zaporozhets ZaZ-1102 model with international safety norms. The Polk firm has also ordered samples of AZLK-2141 motor vehicles, and after comprehensive tests, negotiations will be carried on concerning their delivery to France.

"On the whole, Soviet cars have quite a good reputation," notes Zh. Megazzini. "They are sturdy, durable and unpretentious. The comparative inexpensiveness and reliability attracts the French to them. Unfortunately, with the exception of the VAZ-2108-Samara, all the rest of the models are already dated, and have high gasoline consumption as well."

There is particular talk about the Samara. At first it went well on the market, and right now it constitutes about half of all the Soviet cars sold in France. But then, beginning in August, its sale dropped somewhat. "My cousin bought a Samara a few months ago," Zh. Megazzini tells us, "and he hasn't spoken to me since. Something is always going wrong with the car: first the starter, then the breaker. Yes, and things are far from being in order with the spare parts. As a rule you have to wait three-four days. You think that this isn't a long time? But a person needs his car constantly, every day, sometimes 24 hours a day. Often, being without it is like being without his hands. Frenchmen have an extremely fault-finding attitude toward a new car, be it a Lada or a Rolls-Royce. There are particularly a lot of criticisms about the Bulgarian-made starters and Yugoslavian storage batteries. Finally, we are eagerly awaiting the arrival of the four-door VAZ-2109-Sanara, not the two-door, as has been the case up to now."

"We have good business contacts with VAZ, but you still take too long to react to our requests," said Zh. Megazzini to me in parting. "Although things have improved somewhat recently. Nevertheless we have been asking the plant, for ten years, to replace the upholstery with something that would not fade. Unsuccessfully."

\*\*\*

S. Zhigalov, our staff correspondent for Kuybyshev Oblast, asked S. Boris, deputy general director of AvtoVAZ for export and foreign affairs, to comment on the report.

"Whose footprints? It has been established that our customs men and frontier guards trample along the fenders and hoods of the Nivas and Ladas. I assert this on the basis of checks in which everything has been documentally recorded. These strolls of theirs are passed over in the round sums of currency losses. I think, if the losses from damage to the motor vehicles were charged to their account even once, these disgraceful things would soon be stopped. So far, however, no attention has been paid to all our requests and demands.

"De-equipping or thievery, call it what you will, of motor vehicles on the railroad is a brutal scourge. We have begun to use closed cars. The USSR Ministry of Railroads promises to buy 2500 cars in Finland before the end of the five-year plan. Then we will ship the entire output only in them. So far, however, I can not guarantee you that the Nivas and the Ladas will arrive at the importer's without being plundered.

"In the ChSSR, our vehicles are unloaded at the Chierna-nad-Tisa station onto an open area. This is a weedy field, unenclosed. The guard is a watchman with a dog. Here the vehicles stand in rain and snow, sometimes for months, waiting until a carrier loads them onto the cars of the West German Schenker firm.... Last February I saw some guy, right in front of my eyes, in broad daylight, twist off the steering wheel from a Niva and immediately try to sell it. They steal the windshields, the wheels and other assemblies. Unskilled workers bang up the body during transshipment.

"The USSR Ministry of Railroads is well aware of this situation—it is responsible for the delivery of our motor vehicles, but takes no measures. It was believed, after discussion of the problems last year with R. Louda, deputy minister of Transport of the ChSSR, that the situation would normalize.

"This summer, M. Rudnev, director of our AvtoLada firm, and responsible for export, passed with his consist of motor vehicles from the gates of AvtoVAZ to Agno. In Chierna-nad-Tisa, the situation hardly changed."

"Perhaps the Czechoslovak railroad workers do not have enough experience?"

"Hardly. Not far off, in Kosice, the Mototekhna firm sells VAZ motor vehicles. And there, all the loading-unloading work is done without the slightest untoward incident. Mototekhna has more than once offered us their services, but the ChSSR Ministry of Transport and the USSR Ministry of Railroads do not consent, and do not correct the situation. This is intolerable!"

"Claims against this report are addressed to the motor vehicle builders themselves.

"We bear full responsibility to the purchasers for our motor vehicle. "It is a pity, and even to our disadvantage when the honor of the VAZ brand-name suffers because of those supplying the materials that make up the complete unit. For many years now we have been bombarding the Neftekamskiy Synthetic Leather Combine and R. Bagautdinov, the director. 'Give us, at last, high-quality, non-fading upholstery.' The reaction is more than strange—they delay the deliveries. How long can this go on? I should like to ask this question, through the newspaper, of the management and the plant and the USSR Ministry of Light Industry.

"The plastic parts picture is similar. The Syzran Plastik Association of the USSR Ministry of the Chemical Industry supplies them to us. Unless there is a radical improvement in the quality of the plastic completion items, we cannot emerge at the world level of motor vehicle building.

"We do a great deal of work with the Bulgarian and Yugoslavian plants Dinamo and Trepcha on increasing the reliability and quality of starters and storage batteries. We would like the Bulgarian and Yugoslavian partners to react more efficiently to our suggestions and comments. Everyone would gain from this. The customers too."

"When will French motorists be able to purchase the VAZ-2109?"

"We plan to begin delivery of this model in France in the second quarter of 1988."

12151

## RAIL SYSTEMS

**First Deputy Discusses Changes in Rail Transport**  
18290038a Moscow GUDOK in Russian 21 Nov 87  
pp 1-2

[Article by V. N. Ginko, first deputy minister of rail-ways: "Cost Accounting in Transport"]

[Text] In a little more than a month our branch will shift to fundamentally new economic management methods — complete cost accounting and self-financing. The USSR Law on a State Enterprise will go into effect. All of these are component elements of the radical restructuring of the economy's management that was outlined by the decisions of the 27th party congress and the June 1987 CPSU Central Committee Plenum.

The successful shift of the economy to the new track will depend in no small degree on how restructuring is carried out on rail transport. As a component and very

important part of the country's unified transport system, it has a serious impact on the effectiveness and smoothness with which practically all branches in the national economy operate.

On the other hand, its role is also defined by the fact that a significant portion of the country's economic potential falls to the share of rail transport. Here, the cost of the main producer goods exceeds 100 billion rubles. More than three million people work in the branch's production subunits. The annual operating expenditures for shipping are 15 billion rubles, and the demand for electrical energy exceeds 65 billion kilowatt hours; and that of diesel fuel — 15 million tons.

As the saying goes, the scales are Herculean! One can understand how important it is to make better use of production capabilities, to introduce technical reequipping and reconstruction more rapidly, and to make wide use of intensive production processes in all areas of production activity. The restructuring of planning and management and economic and social factors and stimuli should be oriented toward developing a proprietary interest in final work results within each labor collective and worker and toward instilling a sense of high responsibility in each one of them.

Restructuring has already been begun in the branch. One of the most important of its avenues is the general development of the Belorussian method. As is known, this "reconnaissance in force" has provided good results. More than 280,000 people have been released in less than two years. More than half of them have been sent to other branches of the national economy. Personnel turnover and sickness rates have been reduced, and the amount of loafing, overtime and losses of work time has been reduced. The average annual rates of growth in labor productivity during this period grew threefold as opposed to the rates of the 11th Five-Year Plan.

The use of the Belorussian main line's experience on the entire network by 1990 will insure an increase in labor productivity rates of no less than twofold when compared with the target for the present five-year plan. A total of 350,000 people should be released, and the pay of railroad workers will grow by 20-22 percent — by more than 45 rubles — because of this.

Another important restructuring avenue is the introduction of new management conditions. The pioneers of this method are the collectives of the Dnepr and Southwestern railroads which shifted to these conditions in 1986 and achieved good results. Last year, the Dnepr Railroad transported 4.9 million tons of national economic cargo above the plan. Here, labor productivity exceeded that planned by 3.7 percent and grew by 5.7 percent when compared with 1985. Costs were reduced by 1.1 percent. A total of 6.2 million rubles of profit above the plan were received. Of these, 2.9 million came as additional allotments for the economic incentive funds.

The results are even higher than usual on the Southwestern Railroad. The plan for the total volume of shipments was overfulfilled by 2.7 million tons. Labor productivity grew by 4.7 percent. Shipping costs were reduced by 0.5 percent as opposed to the assigned one. The profit above the plan reached 7.6 million rubles, and an additional 4 million rubles were allotted to the economic incentive funds.

On 1 January 1988, all railroads; industrial enterprises; construction organizations; industrial rail transport; and scientific, research, design, and technological organizations in the branch will shift to complete cost accounting and self-financing.

Self-financing consists of the fact that the scientific, technical, production, and social development of enterprises will be carried out using their own earned assets. Of course, this does not exclude the use of assets from the state budget also — when solving questions of a national economic level.

Self-financing establishes conditions for expanding the independence of enterprises and for increasing the work activity of collectives. Their interest in final results and their responsibility for the fulfillment of contract obligations and state orders, for product quality, and for an improvement in the use of equipment and material, energy and labor resources are growing.

The branch is shifting to complete cost accounting in the middle of the five-year-plan. That is why the plans for economic and social development during 1988-1990 are being prepared based on the proportions of the five-year plan and in strict compliance with the provisions of the USSR Law on a State Enterprise (Association).

The basis of the plan is the control numbers, state orders, allocations, and economic norms. Economic norms play a special role in this package. They serve as an instrument of cost accounting. Among them, the main ones are those that determine the profit distribution ratio between an enterprise, a higher organization and the state budget. This is perhaps the most important question. Essentially, this is a social question. You see, whether labor collectives will struggle to achieve the maximum possible financial results will depend a great deal on how it is decided.

A total of 80 kopecks from each ruble of profit above the plan will remain at the disposal of the branch. These assets will go for the material encouragement of the railroad workers; the construction of housing and social, cultural and domestic projects; the technical reequipping and reconstruction of production facilities; and other social and economic needs. This is why each director must now become a businessman in the good sense of that word and learn to count money and to spend it wisely. Those commanders, who do not know how to

earn an additional profit or do not want to engage in finances and economics, do not have the right to head a labor collective. Yes, he will also not tolerate such a situation.

How can one earn the required assets? The main line avenues here are an increase in profitability, a decrease in expenditures, an improvement in the use of fixed capital, and a decrease in above-norm stocks. Let us look at them in more detail.

**Increase in profitability.** The most important source for this growth is an increase in the freight and passenger transportation volume, the output of additional products — especially consumer goods, and the providing of various work and services.

At different stations, as they say, they now sit and wait for the customers to come for the railcar or container. It is necessary for them to be more active, to look for the users, and to go to meet the passenger. The latter is ready to pay for comfort in a terminal and on the train — it is necessary to provide it. What kind of services can there be? The showing of movies, the organization of hotels in specially earmarked railcars, the packing of hand luggage in check-rooms, minor clothing repairs.... Yes, little is required that thinking and enterprising people can offer to a passenger! There is good experience, for example, in the terminal at Chelyabinsk.

And indeed, do the enterprises of other branches not need our services? The repair of sidings and rolling stock, the leasing of lightly used fixed capital, an increase in the quality of shipments, for example, delivering cargo by strictly defined times.... It is possible to continue and to continue the list of services. This is additional income.

**Reduction of expenditures.** Everyone understands that if you take care of the kopeck, the rubles will take care of themselves. As they say, however, the distance from understanding to action is enormous. Today, it is important that thrift become an absolute rule of management. It seems a minor detail — saving a kopeck from a ruble. On a network scale, however, this represents more than 150 million rubles of profit a year — 120 million rubles of additional allocations to the economic incentive fund. Here is the true value of a kopeck saved at each work position! And also of a lost one.

**Nonproductive expenditures:** losses from overtime work, ineffective use of fixed capital, rejects, and losses from non-intact shipments, eat up sums amounting to millions. Here, for example, is what the delay in the turnover of a freight car during the first nine months costs — an opportunity to receive approximately 65 million rubles of additional profit was lost. The Donets,

Volga, Dnepr, and Sverdlovsk railroads especially "distinguished" themselves. Losses from non-intact deliveries reached more than 12 million rubles during this period. Among the "leaders" were the workers of the Moscow, Lvov, North Caucasus, October, and Central Asian railroads.

Improving the use of fixed capital is the most important avenue in restructuring. Next year, the railroad will only pay for the active portion of the main producer goods—locomotives, rail cars, machinery, and equipment. The maintenance of the spare pool of locomotives and the failure to fulfill quotas for their productivity will become a non-elevating "luxury". Under the conditions of complete cost accounting, this could lead to the financial bankruptcy of several railroads and divisions.

A minimum of required fixed capital with maximum results from its effective use—this is the "formula" for self-financing. Its components are the intensive use of production capacities and a larger output of products from each ruble of fixed capital by improving the organization of production, incorporating advanced technologies, increasing the equipment's work replacement coefficient, and selling poorly used, unnecessary and inactive equipment. Here is another reserve—and no small one. In places, there are a mass of small works, workshops and production sections. It is possible to combine them and to organize cooperative production of spare parts and items and the repair of production equipment.

Complete cost accounting requires a serious improvement in commercial work. For years, here and there they have not revised contracts on the operation of sidings and have not required that their associates strictly observe Railroad Regulations and Cargo Shipment Rules. As a result, considerable fines have had to be paid. Next year, they will be covered in the final analysis from economic incentive funds. It is necessary to pay special attention to these matters, especially on the Donets, Kemerovo, Sverdlovsk, Dnepr, Volga, Central Asian, Kuybyshev, and Transcaucasian railroads.

Above-norm stocks of commodity and material valuables. Many have solidly inscribed in their consciousness the saying: "A reserve does not squeeze the pocket". It is from former times. Now, it will be necessary to pay for thoughtless accumulations using one's own profit. Oh, how surpluses will squeeze a pocket. Today, it is extremely important and simply necessary to free store-rooms of everything that is unnecessary and that diverts assets from economic turnover and to make broad use of the right that has been granted by the Law on a State Enterprise to sell surpluses.

In many labor collectives, they are raising production efficiency and improving the use of resources. They are seriously working with respect to this in the Belorussian, Northern, Kuybyshev, Tselina, Alma-Ata, East Siberian, Transbaykal, and Far Eastern railroads; the Oktiabrskiy

Electric Locomotive, Voronezhskiy Railcar, and Dau-gavpilsskiy Locomotive repair plants; the Novosibirskiy and Muromskiy switch plants; and the Vladimirovskoye, Krasnoyarskoye and Armyanskoye industrial rail transport territorial associations.

Unfortunately, far from everywhere is economic work being conducted as it should. The branch is experiencing considerable financial difficulties because of the fact that a number of railroads, enterprises and transport organizations are not fulfilling the plan for volume and quality indicators and the plan for profit. Although the branch received 397 million rubles of profit above the plan in 1986 and more than 250 million during the present year, multimillion ruble losses have sharply complicated its financial situation. That is why the number one task now is to strengthen the economics of each enterprise.

It is necessary to take decisive steps before the end of the year in order to normalize finances and to eliminate overdue debts to banks, suppliers and contractors. The main strategic task for 1987 in the area of finances is to obtain 300 million rubles of above-plan profit for the branch as a whole. This will insure a successful start for rail transport during the third year of the five-year-plan under the conditions of self-financing.

In contrast to many other branches, we have a high level of centralization in our management. This results from the nature of the transportation conveyer as a single whole. From this comes the need for the centralized development of the main avenues in investment policy and the concentration of a significant portion of the assets in the Ministry of Railways for production purposes. Based on the norms that have been approved, this portion will exceed 55 percent in 1988. These assets will go to finance the delivery of locomotives and passenger cars as well as to other capital investments of a social nature.

It is also necessary to concentrate assets for capital repairs. A special centralized fund is being formed in the Ministry of Railways from allocations of a portion of enterprise assets, which are designated for repairs in accordance with prescribed norms. Overhauls of rolling stock, containers, tracks and other fixed capital will be financed from it.

It must be clear to everyone today that the fulfillment of state orders and contracts is becoming the most important work indicator under the conditions of complete cost accounting and self-financing. Allocations to the material incentive fund will primarily depend on this. The 100-percent fulfillment of a state order and contracts increases the material incentive fund by 15 percent. Each percent of nonfulfillment decreases the fund by three percent. Passenger traffic, the handing over of empties and the loading of rail cars also impact on the size of this fund in railroads and divisions.

Thus, the efforts of all rail transport workers are oriented toward fulfilling their main task — satisfying the requirements of the national economy and the population for shipping in a complete, timely and qualitative manner.

Economic methods, however, will not work by themselves. In the final analysis, their effectiveness will depend on the work collectives of all transport subunits — the line enterprises, divisions and administrations of the railroads. How can work collectives acquire an interest in high end results? What should the system for cost accounting mutual relations "vertically and horizontally" be?

The questions are important. You see, there have already been attempts to get on an economic track. In 1965, they were not successful primarily because the financial results of a railroad division and the line enterprises, which are included in its composition, often did not coincide. The lack of correspondence in their work indicators and economic interests forced us to distribute profit between the enterprises in a volitional way. The sizes of the economic incentive funds were determined depending on the work results of the higher organization. This, of course, is inadmissible under the conditions of complete cost accounting. However, the balancing of shipping profits for a road division and its line enterprises must be assured in any case.

The railroads have received general recommendations on this score. However, the final solution rests with the railroad divisions. They have a better knowledge of the distinctive features of their work and subordinate line enterprises and should develop local statutes on cost accounting considering the USSR Law on a State Enterprise.

Today, each railroad worker is obliged to become an economist at his position. In connection with this, the propagation and study of the new management methods are becoming a matter of enormous practical importance. The basic propositions of complete cost accounting must be clear to each railroad worker. Only in this case will the new management methods be successfully realized in practice. That is why it is necessary to organize economic universal compulsory education everywhere.

We are entering on a new management path. We are faced with solving a mass of complicated questions in the area of economics. Science can provide a great deal of help in this. It is necessary that the work of every economic scientific subunit in the branch be reorganized in earnest. They must concentrate their efforts on the most important avenues in the restructuring of the economic mechanism.

Primarily, there is the search for ways to improve labor productivity, the effectiveness of capital investments and the use of the main producer goods. An important task of science is to forecast the optimum development

of rail transport in the future, improve planning, make shipments more rational, and use economic and mathematical methods and electronic computers in economic research. When doing this, it is necessary to insure a high theoretical level and the quality and practical significance of the research.

Rail transport must have a well organized economic mechanism. It is necessary to begin the adjustment now.

08802

### Personnel Changes in Rail Transport Management

#### Appointments and Transfers

18290037a Moscow GUDOK in Russian 22 Nov 87 p 2

[**"Official Section: Appointments and Transfers"—GUDOK headline**]

[Text] Viktor Fedorovich Pryadko, chief of the Accounting and Finances Administration of the Ministry of Railways, has been appointed a member of the Ministry of Railways Collegium.

He was born in 1933 and is a Ukrainian, a CPSU member and an accountant economist. He began his work in rail transport in 1960 as a controller and inspector of trains and as an inspector in the financial department and services of the Dnepr Railroad. After completing the Odessa Credit and Economic Institute in 1965, he worked as chief accountant in the financial services of the Dnepr Railroad and as a deputy chief of the financial services of that same railroad. From 1972 to 1987, he worked as a department chief and then as a deputy and first deputy chief of the Accounting and Finances Administration of the Ministry of Railways. Since 1987, he has been chief of this administration.

Vasiliy Alekseyevich Shevandin has been appointed chief of the Southeast Railroad.

He was born in 1932 and is a Russian, a CPSU member, a railway engineer for operating railroads, and a candidate of technical sciences. After completing the Moscow Institute for Rail Transport Engineers in 1955, he began his work as an attendant at the Rybnoye station. From 1956 to 1977, he worked as chief of the Dyagilevo station, a senior engineer, a train dispatcher for the Moscow-Ryazan Division, chief of the Yanichkino station, deputy chief engineer of the Moscow-Ryazan Division, and deputy chief engineer of the Moscow Railroad. Since 1977, he has worked in the Ministry of Railways and has been chief of the Economic Planning Main Administration of the Ministry of Railways and a member of the Ministry of Railways Collegium.

The following appointments have been made on orders of the minister of railways:

**Andrey Lukich Kondratenko** — first deputy chief of the Lines Main Administration of the Ministry of Railways;

**Sergey Vasilyevich Savin** — deputy chief of the Lines Main Administration of the Ministry of Railways;

**Vasiliy Sidorovich Khudik** — deputy chief of the Volga Railroad;

**Anatoliy Petrovich Galunin** — deputy chief of the Gorkiy Railroad with his release from the position of chief of line services for this railroad; and

**Mikhail Zinov'yevich Martyanov** — chief of the Karakalpakiya Division of the Central Asian Railroad.

**Georgiy Sergeyevich Nakhalov** has been released from his position as deputy chief of the Signals and Communications Main Administration of the Ministry of Railways in connection with his retirement. Gratitude has been expressed to him for his long years of work in transportation.

**Georgiy Vladimirovich Kryzhanovskiy** has been released from his position as first deputy chief and chief engineer of the Container Transport and Commercial Work Main Administration of the Ministry of Railways for his failure to carry out the instructions of the Ministry of Railways regarding the introduction of locking and sealing systems on railroad cars and for serious shortcomings in the development of facilities and in the use of new equipment and advanced technologies.

**Pavel Pavlovich Sinitsa** has been released from his duties as chief of traffic services and deputy chief of the West Kazakhstan Railroad for having compromised himself by his unworthy conduct.

#### **New Railways Deputy Minister**

*18290037a Moscow GUDOK in Russian 29 Nov 87 p 3*

[**Biography of Leonid Ivanovich Pingarev, new deputy minister for personnel of USSR railways**]

[Text] **Leonid Ivanovich Pingarev** has been appointed the deputy minister for personnel for USSR railways.

He was born in 1931 and is a Russian, a CPSU member and a railway engineer for operating railroads. He began his work in rail transport in 1954 after completing the Tashkent Institute for Rail Transport Engineers. He has been a station attendant, train dispatcher, deputy senior dispatcher, traffic service technical section chief, railroad division traffic section chief, railroad laboratory senior engineer and operating staff member, manager of a road committee of the rail transport workers trade union, and secretary of a road committee of the rail transport workers trade union.

Since 1970, **L. I. Pingarev** has been an instructor and manager of the rail transport sector in the transportation and communications department of the Kazakhstan Communist Party Central Committee. Subsequently, he was manager of the transport and communications department in the Kazakh SSR Council of Ministers Administration of Affairs and deputy manager of affairs of the Kazakh SSR Council of Ministers. Since 1984, he has been the manager of the transport and communications department of the Kazakhstan Communist Party Central Committee.

#### **Appointments and Transfers**

*18290037a Moscow GUDOK in Russian 2 Dec 87 p 2*

[**"Official Section: Appointments and Transfers"—GUDOK headline**]

[Text] The following appointments have been made on orders of the minister of railways:

**Valentin Grigoryevich Rodionov** — deputy chief and road inspector for traffic safety on the October Railroad;

**Anatoliy Stepanovich Levchenko** — chief of traffic services and deputy chief of the Krasnoyarsk Railroad with release from his duties as chief of the Tayshet Division of the East Siberian Railroad; and

**Anton Stepanovich Kasyanik** — deputy chief of the Odessa Railroad with release from his duties as chief engineer and first deputy chief of the Far East Railroad.

**Nikolayevich Gennadiy Voronin** has been released from his duties as deputy chief of the Odessa Railroad in accordance with a personal request based on his health.

**Vladimir Ivanovich Shumyagin** has been released from his duties as chief of traffic services and deputy chief of the Krasnoyarsk Railroad in accordance with a personal request based on his health. Gratitude has been expressed to him for his long years of work in rail transport.

**Leopold Albertovich Lipman** has been released from his duties as deputy chief of the Gorkiy Railroad in connection with his retirement. Gratitude has been expressed to him for his long years of work in transport.

**Petr Ivanovich Ivanov** has been released from his duties as deputy chief of the Volga Railroad in accordance with a personal request based on his health.

## Rail Transport Performance Reviews

### Situation in November

18290037b Moscow GUDOK in Russian 22 Nov 87 p 1

[*"At the Finish of the Year"*—GUDOK headline; first paragraph is GUDOK introduction]

[Text] November: The shipping debt is 2.5 million tons. Only eight railroads coped with the plan.

A regular select meeting, during which the work of the railroads in the first half of November was analyzed, has been held in the Ministry of Railways. The situation remains a tense one. Only eight of the 32 main lines coped with the plan. The branch's debt in November reached more than 2.5 million tons. As usual, the shortfall is also a great one since the beginning of the year. The staff of the branch has demanded that the railroad directors mobilize all reserves. The following task has been assigned — to load 11,650,000 tons during the remaining days of the month. Such rates have not even been achieved during the most favorable months.

As usual, the railroad workers are being subjected to sharp criticism regarding the delivery of fuel. In comparison with September, the gap has been considerably reduced. Nevertheless, one million tons of debt still remain. The last word rests with the collectives of the Donetsk, Kemerovo, and Baykal-Amur railroads. The requests of the miners for railroad car are far from being fully satisfied. A reproach addressed to the Ministry of Railways recently sounded over Central Television on "The Searchlight of Restructuring". The brigades in the Raspadskaya Mine have been forced to stop work — there was nothing into which they could load the fuel that had been mined above the plan. The situation was corrected. However, both last winter and last year it was the same thing. No one will guarantee that the situation will not be repeated again and again after sometime. The Kuzbass problem will not be solved by single injections. More serious measures are needed.

The chronic shortage of gondola cars is aggravating the situation. According to the opinion of specialists, 35,000 of them have been written off because of incorrect forecasts. Thus, the railroad workers must exert a massive effort to use the remaining rolling stock rationally. There are more than enough appeals and directives on this score. However, they are far from always being interpreted as they should be. On the Chu Division alone, they have underloaded each car by almost five tons. On the Gorkiy railroad — by half tons "all told". Here, however, they could dispatch 75,000 tons during 15 days without using additional cars. There are quite a few examples like this. How can one fight such losses? Alas, all of the recommendations, which arrive at the railroads, are of the administrative type. On several roads, matters are such that it's as if restructuring should apply to anybody but only not to them. Previous notions

that everything will be forgiven if you find an above-plan figure by any means, are still very persistent. That is why cases of the dispatch of trains in a circle without the knowledge of the Ministry of Railways are again appearing. During a short time, inspectors "caught" 22 of these routes. The Southeastern Railroad is especially guilty of this when carrying through traffic across the hump in Kochetovka. This is essentially a postscript. The phenomenon is as well known as it is difficult to eliminate. Recently, the number of cars traveling in a circle have doubled.

Much bad management and waste are still being tolerated in the pursuit of momentary success. In order to get rid of the shortcomings, however, it is necessary to talk about them. The merits themselves will speak for themselves.

### November and December Situation

18290037b Moscow GUDOK in Russian 22 Nov 87 p 1

[Article by K. Vladimirov: "At the Finish of the Year: Each Hour Is Precious"]

[Text] A little more than a month remains until the end of the second year of the five-year plan. The workers on the steel main lines are directing all their efforts toward the unconditional fulfillment of the state plan for transporting cargo.

The coming work is exceptionally strenuous. In order to cope with the task successfully and to make up the debt that was formed last winter, we are faced with loading 11,450,000 tons every day during November, but there was an underloading of 150,000 tons every day during the first two 10-day periods of the month. Thus, we are faced with increasing work rates during the days remaining until the end of the month. This will occur under difficult conditions where winter is already letting itself be known on many railroads — with frosts and the first snow-storms. That is why not only each day, but also each hour counts today.

December will be no less strenuous for the railroad workers. Increased quotas have already "gone" to many railroads. We are faced with mastering loading rates which the network has never known. The task, however, is a realistic one. The network's material and technical base has been considerably strengthened during the last two years and now it is necessary to put all production reserves into operation so that the highly efficient equipment and rolling stock and each locomotive and railroad car will be used to its full capability.

Reserves exist, and they know about them on the railroads. There is the increasing of statistical loading and a train's average weight and there is the operation of heavy-weight routes, the reduction of rolling stock demurrage at classification and technical servicing yards, and the speeding up of the movement of the railcar flow. It is necessary for the rolling stock to be used

better. Today, you see, we lose every day up to 3,000 gondola cars because of above-norm demurrage at loading and unloading areas and at marshalling stations.

Someone exists from whom we can take an example: Recognizing its debt, the collective of the Southeastern railroad adopted an obligation to dispatch and send a million tons of cargo above the plan during the days remaining until the end of the year. They have supported the obligation with concrete organizational and technical measures.

### December Improvements Needed

18290037b Moscow GUDOK in Russian 24 Nov 87 p 1

[Unattributed article: "At the Finish of the Year"]

[Text] The shipping rate for the country's steel main lines is growing with each day. In order to pay off the debt that was accumulated last winter, it is necessary to load 11,680,000 tons of cargo every day on the network during the third 10-day period of November. Concrete strenuous quotas have been given to each railroad.

However, they have still not managed to achieve a high level of organization and an accurate operation of the transport conveyer everywhere. Thus, boxcars are being poorly used on the Dnepr Railroad. Rolling stock stands idle for a long time in unloading areas. More than 900 cars above the norm are detained here everyday. Cargo is being poorly removed from the Krasnoyarsk Railroad's Nazarovo station. Although the railroad workers of this main line have achieved loading rates that are a record for them, tens of thousands of tons of nonferrous metal lie in the port of Krasnoyarsk at the same time awaiting movement.

It is possible to continue the examples. Today, the loss of any hour cannot be made up. You see, the work rhythm must become even more strenuous during December. Increased quotas have gone to many railroads. Thus, the Kemerovo December plan for daily loading has been increased by 138,000 tons; and the Tselina — by 100,000 tons. Success will depend a great deal on the work of the Donetsk, Krasnoyarsk, Moscow, Tselina, and other railroads with a high density of freight traffic. In order to achieve the goal that has been assigned, it is necessary to reduce the demurrage of rolling stock by an hour at classification and technical servicing yards, to accelerate the movement of the railroad car flow by no less than seven percent, and to put other reserves into operation. Undoubtedly, the fulfillment of the state plan for shipping national economic cargo during the second year of the five-year plan will become the specific contribution of railroad workers to the cause of restructuring.

### Critique of November Results

18290037b Moscow GUDOK in Russian 28 Nov 87 p 1

[Article by V. Sluzhakov: "At the Finish of the Year"; first paragraph is GUDOK introduction]

[Text] November: The debt for loading according to the increased quota is more than six million tons. Only six railroads are coping with the plan.

A regular select meeting was held in the Ministry of Railways. Questions on raising the level of operational work, fulfilling the shipping plan and improving traffic safety were examined during it.

G. Vedernikov, deputy chairman of the USSR Council of Ministers, and the directors of a number of ministries and departments participated in the meeting. The deputy chairman of the union republic councils of ministers and kray and oblast ispolkoms and the directors of consignee enterprises, where unloading has been poorly organized, were invited to the workshops of the railroads and divisions. The conference was caused by the sharp complication of the situation with respect to the fulfillment of the shipping plan in November. During the last 10-day period of the month, the shipping debt increased more than twofold and reached more than six million tons. Almost one-fifth of it belongs to the Kemerovo railroad. The shortfall in the delivery of coal to the consumers is growing. Of the 32 railroads, only six: the Belorussian, Southwestern, Odessa, Dnepr, Southeastern, and Central Asian, are coping with the plan now.

The railroad workers also deserve very sharp criticism for traffic safety. A collision of trains on the Gorkiy Railroad demonstrated that instructions are not being carried out as usual and that technological discipline is not being observed. This and last year's wrecks have still not become a graphic lesson and warning for many workers. There are more than sufficient directives, instructions and orders on traffic safety. However, a day has not gone by recently without an accident. On 25 November alone, 134 different types of defects were tolerated on the network. Breaks in rails, fractures in railcar beams and damage to diesel locomotives are accompanied by long interruptions in traffic. All of these accidents create rich soil for new accidents and compel one to think seriously about the state of affairs in the branch with respect to safety.

The weather also added to concerns during the final 10-day period of November. A cold wave overwhelmed the railroads of the Urals, Siberia and the country's East. The temperature dropped to minus 40 and lower. These few days reminded one of the situation last year when the unloading of railcars was one of the main problems. The discussion at the select meeting also mainly concerned this. If unloading is smooth, this means that freight will be dispatched in time. Alas, the first heavy frost did not bring any surprises. The old picture was repeated. A considerable number of railcars — more

than 20,000 — are now standing idle awaiting unloading. The reason is the same — cargo fused into a frozen mass and breakdowns of devices. The railroad workers, who — in striving to dispatch as much freight as possible — accept unfrozen coal, ore and construction material from suppliers, are also guilty. This is a clear violation of production practices. Few of them will be concerned with what happens later at the dispatching stations. Similar cases often occur even within the limits of a single railroad. On the Tselina, the commercial inspectors have tried to introduce order. However, nothing has changed at the metallurgical combine in Karaganda and the Pavlodarskiy Aluminum Combine. You see, the directors of the enterprises were rebuked only recently for their preparations for the winter and they attested that they would meet it fully armed.

The Ministry of Railways has demanded that commanders not accept cargo if they are not prepared to transport it so that additional artificial difficulties, which they would then have to heroically overcome, are not created. Now, as never before, the mutual help of railroad workers and industrial enterprise workers is required — not wrangling and mutual reproaches. Every specialist on the branch staff, who is capable of stirring up the train situation and setting right the dispatch of coal and fuel oil, is going to local areas in order to provide concrete help. It is necessary to do everything possible so as not to allow last year's blunders when several electrical power stations ceased operating because of a decrease in fuel stocks and heating systems froze in the cities.

Painstaking daily work — not promises — is needed. Concern for people in deed is needed so that there are warm protective outer clothing, hot food and warm amenity rooms — and not discussions about the human factor.

08802

#### **Belorussian Railroad's Economic Innovations Discussed**

18290041 Moscow GUDOK in Russian 2 Dec 87 p 2

[Report by GUDOK correspondent N. Davydov from the Minsk-Krichev- Moscow line under the rubric "Restructuring: The Economy and the Individual": "What Cost Accounting Can Do"]

[Text] "When the Belorussian experiment was begun, I was opposed to it. We didn't have enough people, and we were forced to reduce the work force even further. And many of the line's other subdivision chiefs did not undertake this job willingly, either..."

We have had occasion to hear statements such as this time and again over the past 2 years. But it is difficult to conceive of such words spoken from the rostrum of the system's advanced experience school, and not by just anyone, but by the chief of a line subdivision of the Belorussian Railroad.

He said that the Krichev Subdivision had 60 persons less than the authorized complement by the beginning of 1985, and managers were obliged to release another 80. Aside from auxiliary workers and crossing attendants, some of the repairmen had to be released as well. The subdivision's people were continually being diverted (in accordance with instructions from the division commanders) to work not related to maintenance of the line, and this aggravated the situation. It was practically impossible to get people interested in the end results of their work under such conditions...

The speaker was applauded enthusiastically not only because he had spoken out against the thoughtless reductions. Incidentally, reduction of the line's work force of repairmen has now been prohibited by order of the ministry. They thanked Anatoliy Nikolayevich Pshenay, the chief of the Krichev Subdivision, for the boldness and effectiveness of the proposals related to the subdivision's shift to full cost accounting and self-financing. They are not indisputable, of course, inasmuch as they have not been checked out in practice, but at least they point to a way out of the blind alley which has held up independence for the line enterprises of transport.

"If everything remains as before, how is cost accounting to be introduced, and how is the line workers' share of the division's income to be apportioned?" Pshenay and those who share his view have asked. "How do we ensure that it becomes clear to each repairman why he is receiving money and how he can affect the enterprise's receipts?"

It would not be easy for A. Pshenay, a correspondence student of the BelIIZhT [Belorussian Institute of Railway Transport Engineers], to find the correct answers to these questions without the assistance of specialists from the Economics Department, primarily lecturer L. Komlik.

Guided by provisions of the draft Law on the State Enterprise, they have begun to work out the basic principles of the subdivision's economic activity. Overcoming the stereotyped thinking that the subdivision does not take part in the transportation process in any way was the main thing that had to be resolved for the success of all subsequent efforts. After all, its product is a line that is in good condition! If the tracks under a train's wheels are not even, the cars will not run... And since the subdivision is taking part in developing the product, naturally, it should have certain funds to maintain the kilometers that are being served. In other words, for their services provided to the division, the line's workers have the right to claim some part of the profit from transportation. Let the size of the economic incentive fund which is necessary for production depend precisely on the amount of profit.

The idea proposed by the Krichev line workers was closely studied and approved first by the track maintenance service, and then by the managers of the Belorussian Railroad. Last May, A. Pshenay set forth these

proposals at a conference of the system in Vitebsk, where problems related to the shift of MPS [Ministry of Railways] enterprises to full cost accounting and self-financing were discussed. Most of the speakers at this conference did not make any specific proposals on the degree of independence for line enterprises. They are not producing a finished product, they say, and therefore there is nothing to pay them for. Other speakers proposed that this independence be restricted to the level of shops at industrial enterprises.

But another viewpoint was also heard there: line enterprises should be self-supporting and independent. Ideas on centralizing the production development and housing construction funds were expressed as well. This does not conflict with the Krichev workers' proposals at all. Indeed, for a subdivision with an average work force of about 500, more than a year is required for construction of a 90-apartment building, for example. For this reason, they cannot manage without centralized sources of financing.

On the other hand, the line workers have to put up one- and two-apartment buildings in city districts, that is, at small stations. This is being done at the cost of capital repair at present. However, experience shows that a resource such as this has already been exhausted. The workers desperately need their own social development fund.

The production development fund is in a similar situation. The track maintenance service, or more precisely the line, must acquire expensive VPR-1200 and VPRS-500 equipment, of course. But the subdivision's suppliers are not running to the line's administration or the division for every minor detail.

The suggestion was made that part of the production development fund, as well as the social development fund, be at enterprises. To resolve urgent problems, so to speak. But the main point is that we must try to get the collective of any enterprise to earn its own funds instead of having limited allocation of profit on a scale established by the division.

"It has not been simple to prove to everyone, and the financiers first of all, that full cost accounting is completely workable for the subdivision," said R. Nosal, the Krichev Subdivision's engineer for labor organization and norm setting. "But we persuaded the line's managers to undertake the experiment just the same. We believe that the economic levers inherent in cost accounting should make the employees of line enterprises active participants (and not observers) in the struggle to improve transportation efficiency..."

In order to pay the line's workers in accordance with their specific labor contribution to improve the efficiency of transport service, the experiment's initiators propose to introduce a method they worked out in collaboration with the Economics Department of the

Belorussian Institute of Railway Transport Engineers. Essentially, it provides for the division to settle accounts with the subdivision in accordance with accounting prices within the division, using a new cost accounting gauge: an adjusted kilometer of the line, taking into account the quality of its maintenance, changes in the speeds with which trains are moved, and the amount of work in ton-kilometers.

The question of how the quality of track maintenance is taken into account naturally arises. The Krichev workers suggested that the length of the main lines be multiplied by a quality coefficient. A grade of excellent would be 1.1, good would be 1.0, satisfactory would be 0.9, and unsatisfactory would be 0.5. That is, the condition of the line, and hence the results of the repair workers' labor, are taken into account realistically.

The new method has been checked out many times. They compared the data on it with actual work results in past years. And as a result, they came to the conclusion that the accounting price should be reserved, by deliberately reducing it by 10 to 20 percent. Why? In answering this question, let us remember that this is not the first time that the line enterprises of transport have come close to cost accounting. Such attempts were made as far back as 10 or 12 years ago. But they ended in failure, since all the enterprises often worked well, but the division had nothing to transport. A disparity such as this is quite realistic, and may be repeated.

"It is precisely for this reason that we believe the subdivision should acquire a realistic income if the adjusted kilometers (taking the quality coefficient into account) are multiplied by a deliberately reduced price," Anatoliy Nikolayevich explained. "If the division's work is successful, it will return these reserved receipts at the end of the year to its enterprises, either in their entirety or in part. But if it is not, then there is no justice, as they say. On the other hand, a logical interrelationship is achieved between the results of work by the line enterprises and the division as a whole..."

The method we have been discussing has been approved by the Belorussian Railroad management, and it will be tested experimentally in the new year. But the Krichev workers are not standing still. "Profit from transport is good. But we cannot disregard the possibility of acquiring it as the result of subsidiary auxiliary activity." And as those taking part in the system's school were convinced, this involves more than the construction of sidings for industrial enterprises.

Preparation for the experiment has compelled them to look for new reserves and to try to resolve social problems more successfully. After all, persons cannot be held by wages alone nowadays, although they have already exceeded 200 rubles. In order to resolve the housing problem, they are building units with two apartments, and they have also begun erecting a 12-apartment building in joint ownership with the locomotive depot.

Obviously progress has been made in providing the line's workers with meat and honey. Their own sty of 150 pigs enabled them to provide their workers with over 12 tons of meat last year; 1.5 times more will be sold now.

This the second year that the subdivision has been engaged in beekeeping. This is also troublesome work. However, in the near future they are planning here not only to provide all the line's workers with honey, but to make a significant profit by using mobile apiaries as well as by selling the bee colonies that have multiplied.

"Cost accounting is impossible without management skill. It will be full and practicable in the subdivision only if it is brought to every brigade." This thought, expressed at the conclusion of Pshenay's address, seems especially important to us. Indeed, only when it is clear to each line supervisor and brigade leader why he and his repairmen are receiving a wage will economics itself compel them to work conscientiously. It will become profitable not only for the subdivision as a whole, but for each brigade as well, to reduce the number of speed limit warnings and improve the grades received for rail conditions.

Only a little time remains before the experiment begins. The next year or two will demonstrate whether the Krichev line workers are correct and whether full cost accounting is workable in the subdivision. But the very fact that they are trying to resolve the problem not by the administrative methods of pressure from above, which has been customary for railroad workers, but by developing the initiative of the basic collective, is deserving of approval. We would hope that the managers of the Belorussian Railroad and the main administration of the line will help the innovators to bring their investigations to a logical conclusion.

8936

#### Section Head on Importance of Timely Rail Transport 18290039 Moscow GUDOK in Russian 27 Nov 87 p 1

[Article by G. Tarakanov: "Despite the Benefits of a Night Shift, Progressive Work Methods Are Being Slowly Incorporated in the Tyumen Transport Hub"]

[Text] Tyumen-Omsk-Saratov — drivers, dispatchers and freight examiner-releasers are working in a businesslike manner and without any fuss in the combined brigade of Vitaliy Viktorovich Zelentsov. All of them are united by a brigade contract and have a material interest in the timely removal of 20-ton containers that arrive at the station of Tyumen.

The brigade achieved excellent results during the first year of the five-year plan: Labor productivity almost doubled and the demurrage of vehicles during loading and unloading operations decreased by 70 percent.

The fact that they found opportunities to increase the number of exchanged semitrailers contributed in no small degree to the success. The economic services of the automotive combine of the Tyumenavtotrans [Tyumen Motor Transport] Association helped the collective to establish a clear procedure for formulating commodity and transport documents and to develop rational movement routes.

Other collectives are adopting the experience of the progressive brigade. For example, three combined cost accounting brigades have been established for the transportation of average tonnage containers; and another one — for the removal of bulk cargo from the station. A total of 81.2 percent of the total volume of the automotive combine's work falls to the share of these collectives. On the whole, 80 percent of the cargo, which was received at the client's address, was delivered in a centralized manner last year. This was the best result on the Sverdlovsk Railroad.

It is especially important to insure smooth operations in transport hubs and to increase the volume of shipments on Saturdays and Sundays. For this purpose, operational dispatcher communications have been set up with each warehouse and all of the services in the transport and forwarding department of the automotive combine. The circle of customers, who make use of exchanged semitrailers, has been considerably expanded; and the effectiveness of their use has been increased. Daily, more than 40 percent of the freight — twofold more than a year ago — is carried from here on semitrailers.

The introduction of sliding work schedules for the drivers has played a positive role. The setting up of parking lots right at the cargo hubs, the optimization of routes and the complete loading of vehicles have contributed to decreasing the number of "zero" runs and to savings of fuel and lubricants.

A great deal of attention is being devoted here to improving the coordination of operations with the railroad workers.

E. Miller, the director of the enterprise, says: "Six years ago, the responsibility for the transport and forwarding servicing of Tyumen station workers was placed on our combine. Initially, interdepartmental conflicts and confusion over legal matters in relations between associated partners had their effect. At first, the railroad workers tried to shift the responsibility for any of their errors to the automotive workers. In any event, we nevertheless found a mutual understanding with the railroad. The use of the experience of associated workers in the Leningrad, Perm and Chelyabinsk transport hubs helped to a certain degree to establish businesslike contacts. We received considerable support from the republic's Uralavtotrans [Ural Motor Transport] Association and local party and soviet agencies. In a word, a change for the better was noticed; however, unfortunately, not in everyone. When changing the procedure for delivering cargo that had

been fixed in a contract, the directors of the railroad's Tyumen Division often do not inform the automotive workers about this in a timely fashion. The arrhythmia in work comes from this. On Saturdays, Sundays and holidays, the railroad workers provide loading and unloading devices poorly and do not try to organize the preliminary night loading of motor vehicles. A central point for repairing containers has still not been set up in Tyumen although more than half of them do not correspond to the requirements for cargo safety.

The railroad station workers also display indifference sometimes toward strengthening the combined brigades. The situation is still one where the crane operators, who are included in them, receive their pay not for loading the vehicles with containers but for tonnage operations, that is, they can simply shift containers from place to place. Bonuses are paid to them regardless of the results of removing containers.

In trying to interest crane operators somehow, the automotive combine found an opportunity to pay them bonuses for the fulfillment of the monthly plan. This, however, did not contribute sufficiently to accelerating loading and unloading operations at freight stations. The railroad workers could have made better use of economic levers to stimulate those who are adopting progressive forms for organizing labor.

The council of associates has been called upon to play a more active role in solving the questions, which are arising, and in overcoming departmental obstacles. However, it is reorganizing its work slowly. Its meetings often boil down to skirmishes and mutual reproaches. You see, the council was established for this — effectively resolve problems in the work of the associated people. The joint overcoming of interruptions on the transport conveyer would contribute to strengthening cost accounting in the combined brigades. You see, no less than 85 percent of the work volume must be carried out here using the brigade contract method by the end of the present year.

The problem of shifting motor transport to multishift operations, which is revealing large reserves for accelerating the delivery of freight to consumers and which is lowering shipment costs, is being solved slowly in the Tyumen transport hub. On 29 April 1986, *GUDOK* in an article entitled "Night Experiment" told about experiences in organizing night shifts for transporting containers from the railroad to the industrial enterprises of

Omsk. Just as in other regions of the country, the growth of the truck pool in Omsk had lagged behind the growth in the amount of container shipments from the stations. The associates concluded: It is necessary to shift the work of transport workers to two-three shift conditions. The reasons were weighty ones: According to data from the experiment that was conducted, the Omsk workers began to remove up to 100 containers during the night using four-five vehicles — at a time when 50 vehicles were delivering — with difficulty — 350 tons all told during the day. This is understandable: The city is sleeping, the streets are free for motor transport, and there are no stops at traffic lights.

This is the second year that the city freight station of Omsk is operating around-the-clock, delivering containers to enterprises using a direct contract with the motor transport workers. However, they did not stop at this. The railroad division is expanding the experiment: The around-the-clock shipment of coal, construction materials and other urgent freight is being set up.

Instructive experience in shifting vehicles to two-three shifts during the transportation of freight from railroad stations has also been accumulated in Saratov. I recently had an occasion to talk on this subject with A. Kokushkin, the chief of the Saratovavtotrans [Saratov Motor Transport] Territorial Association.

He emphasized: "Multishift operation of transport workers is beneficial for the national economy and to us, the automotive workers. Thanks to it, shipping volumes have grown twofold during the present year, and the profit from one truck has been raised almost threefold."

Here is where reserves for accelerating the delivery of national economic goods to consumers lie. It would seem time for the directors of the Tyumen transport hub to seriously undertake the introduction of multishift servicing of enterprises. The Saratov calculations show that the travel speed of a motor vehicle during evening and night hours grows almost 1.5-fold, and the labor productivity of drivers is increased by 15 percent during this and their pay increases. There are also benefits for the railroad workers: The demurrage of railroad cars during loading and unloading is reduced considerably.

08802

END

**END OF**

**FICHE**

**DATE FILMED**

1 March 1988

---



**END OF  
FICHE**

**DATE FILMED**

1 March 1988

---